



**Exelon Generation.**

# **AWEA WindPower 2012 Project Finance Panel**

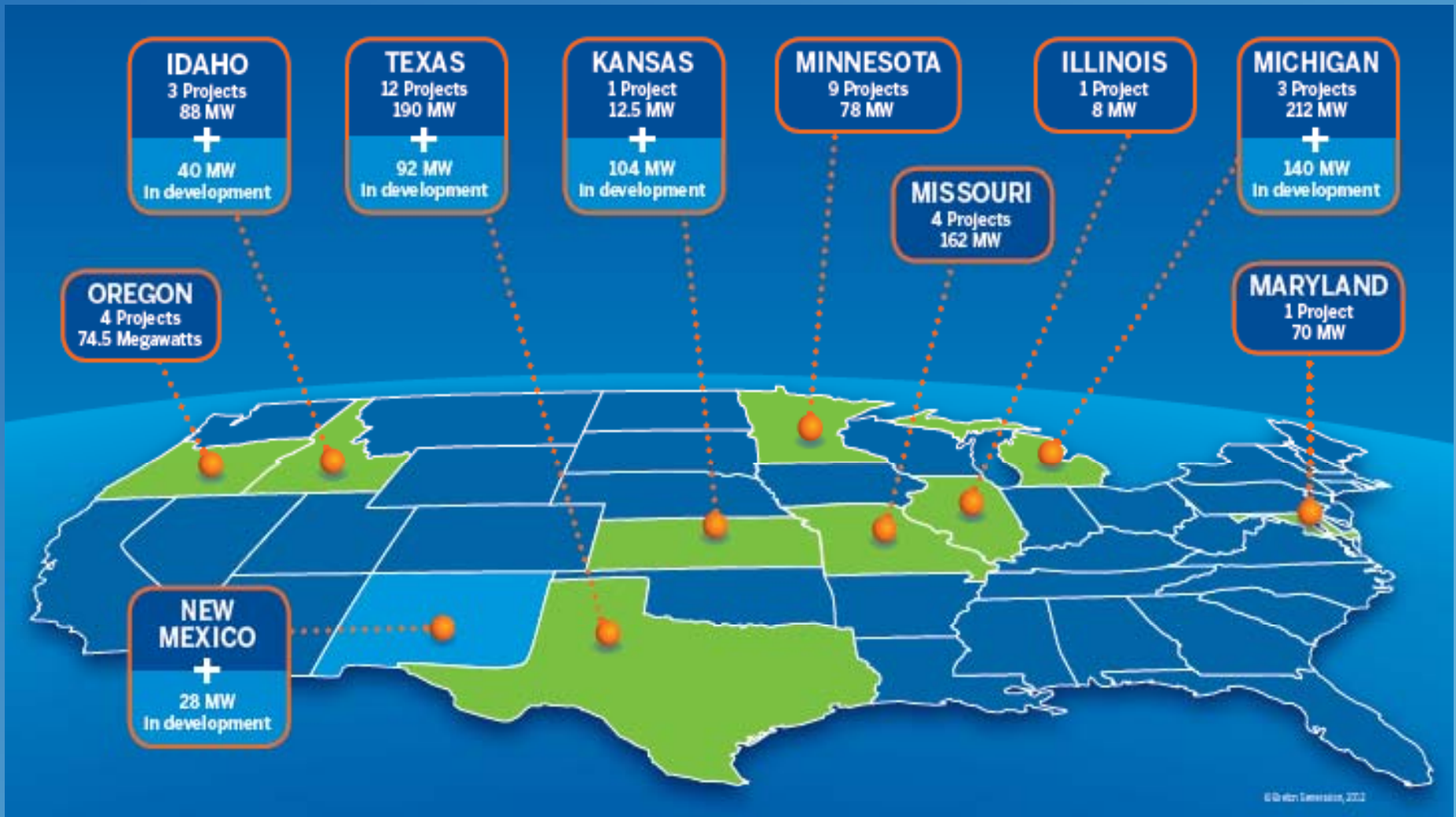
**Brian Lammers  
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# Agenda

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- Introduction
- Perspectives from a balance-sheet investor in wind energy projects
- The relationship between deal structure and development strategy
- What development sponsors/partners need to know about our model

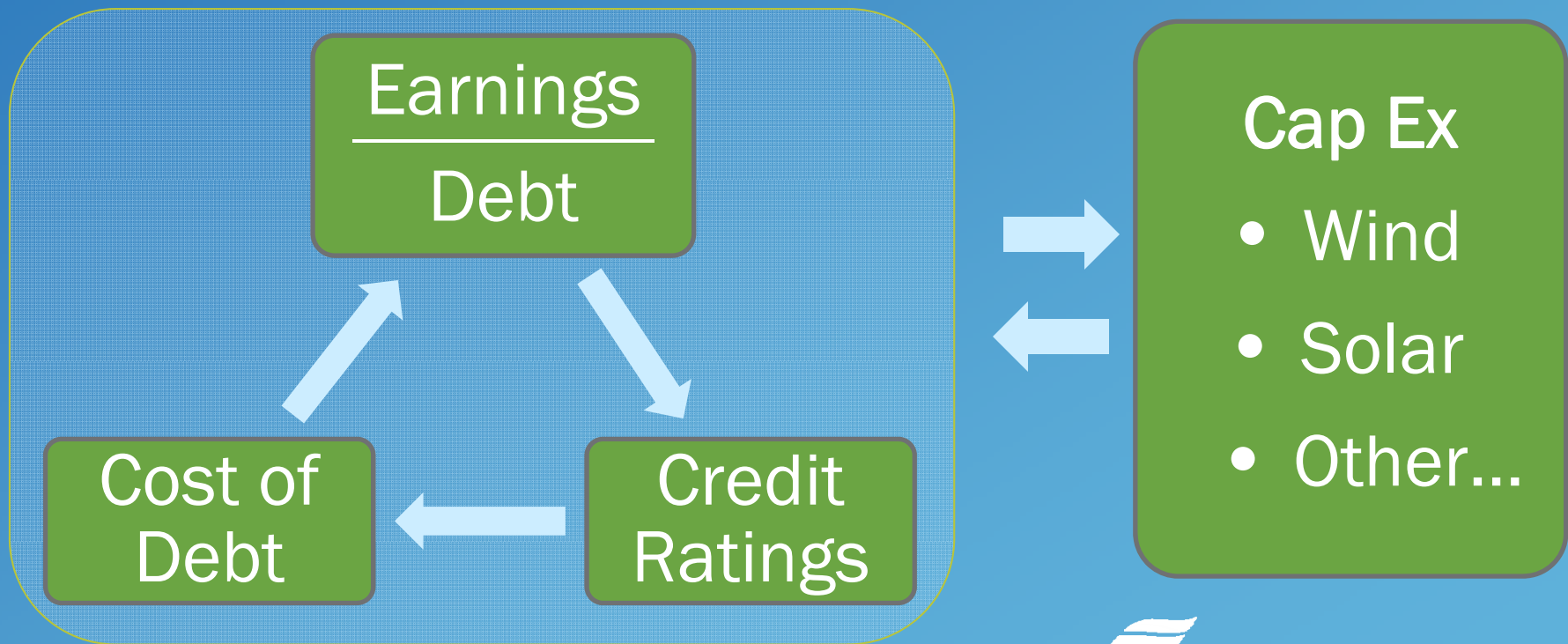
# Introduction and Background





# Balance sheet considerations

- Stability and predictability
- Credit rating is king
- Diversified operating fleet



# Finance and development strategy

- Risk/reward along the development value chain
- Acquisition vs. development; moving upstream

Attribute \ Stage	Volume of Deals	Opportunity Level	Success Factor	Speed to Market
Early	High	High	Low	Low
Intermediate	High	High	Low	Low
Late	Medium	Medium	Medium	Medium
Construction Ready	Low	Low	High	High
Operating	Low	Low	High	High

Historical position

# Finance and strategy (cont'd)

Opportunity	Challenge
<ul style="list-style-type: none"><li>• Access to deal flow</li></ul>	<ul style="list-style-type: none"><li>• Identifying the best opportunities</li></ul>
<ul style="list-style-type: none"><li>• Diverse in-house expertise</li></ul>	<ul style="list-style-type: none"><li>• Bringing resources to bear within a limited time-frame</li></ul>
<ul style="list-style-type: none"><li>• Acquiring late stage projects to grow the business</li></ul>	<ul style="list-style-type: none"><li>• Limited upstream visibility</li></ul>
<ul style="list-style-type: none"><li>• Access to capital</li></ul>	<ul style="list-style-type: none"><li>• Limited risk tolerance</li></ul>

# What Partners Need to Know

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- A preference for repeat business and relationships
- Quality development assets
- Extending our geographic reach
- Local knowledge and engagement of stakeholder relationships

# Looking forward

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- PTC expiration or re-structuring
- Low natural gas prices
- RPS demand
- EPA restrictions on coal-fired generation (e.g. MACT)
- Wind turbine technology improvements



# Questions?

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Thank you