



AWEA WIND CONFERENCE

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Finance Concepts – Mid Sized and Community Wind Projects

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OwnEnergy Provides The Leading Platform for Clean Energy Entrepreneurs

**Breakthrough
Community Wind
model for local
entrepreneurs**

Dev Pipeline:

- 27 Projects
- Mid-sized
- 14 states
- 1,200 MW

**141 MWs sold
and now under
construction:**

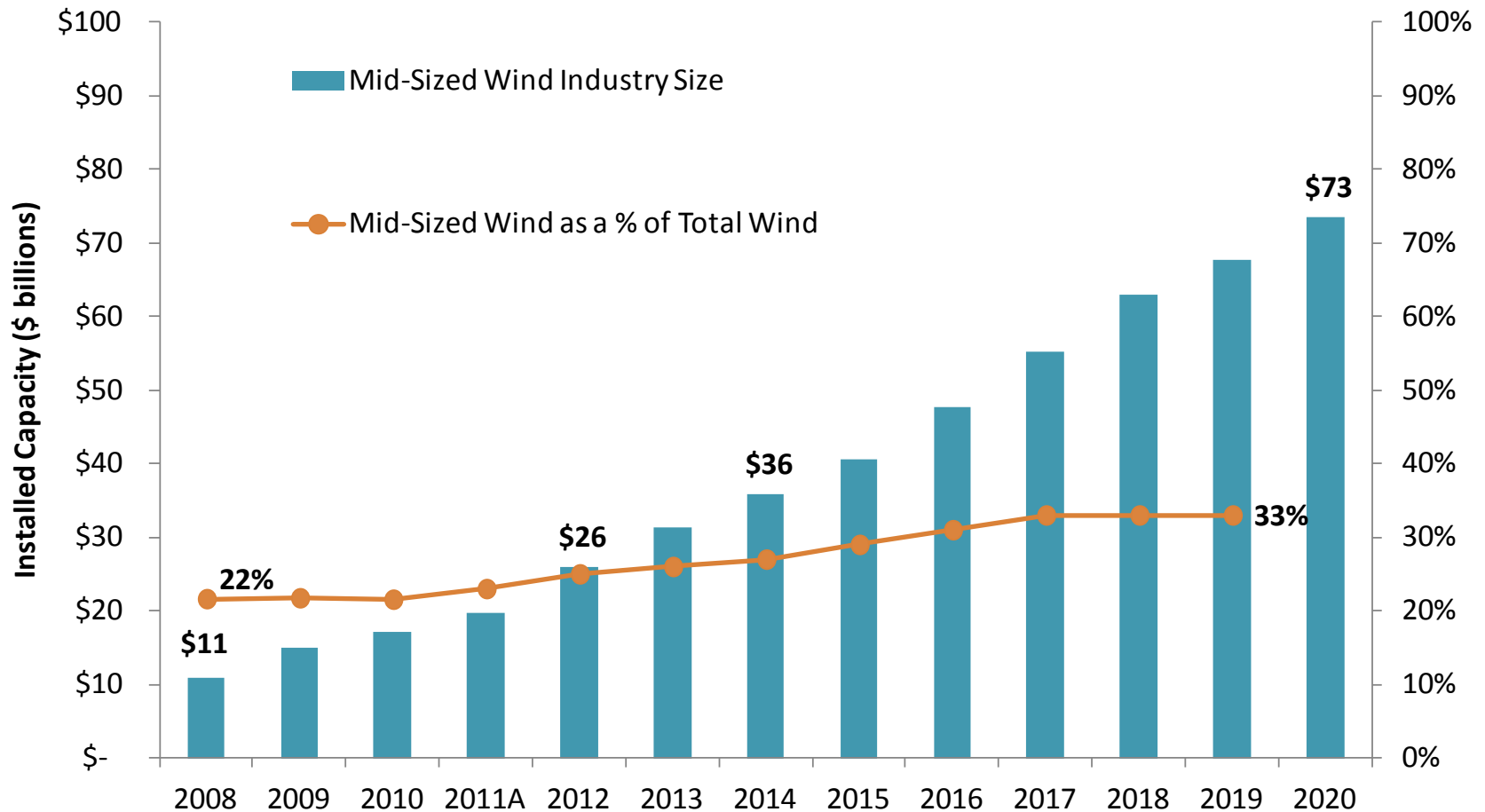
- 60MWs in OK
- 30MWs in PA
- 51MWs in TX

**Technology-
Enabled
Development
Platform**



Mid-Sized Wind Now a \$20 billion market

20 – 80 MW wind farms



Industry projections per Emerging Energy research assuming PTC extension and long-term CES
Mid-sized wind % of industry data through 2011 per AWEA. Forward projection of % per OwnEnergy

Munis & Co-ops Beginning to Buy Wind

US Electric Utilities	Investor – Owned	Publicly Owned	Cooperatives	Total
Number of Organizations	220	2,000	930	3,150
Number of Total Customers	104m	21m	18m	143m
Size (median number of customers)	400,000	2,000	12,500	
Assets (\$ billions)	\$700	\$200	\$100	
Customers, % of total	73%	15%	12%	
Revenues, % of total	76%	14%	10%	
kWh sales, % of total	74%	16%	10%	

Source: National Rural Electric Cooperative Association



New Legislation Increases Economic Appeal of CW



Community Wind Act

MAT11673

- ▶ Introduced in October 2011
- ▶ **Passage would extend tax support** for small wind projects through 2016
- ▶ Extends small wind 30% Section 48 ITC from 100kW to 20MW projects
- ▶ Endorsed by 120 organizations nationwide



Finance Structures Change Depending on Size

Mid-sized wind
Offsetting economies of scale with
speed and lower transmission costs.
Sub \$100 million build costs create
unique challenges



Large Projects - Traditional
project finance vehicles
available

Often owned by tax payer
Long development lead times
and transmission dependent



Small wind
Financed similar to solar,
programmatic and dependent
on the ITC

Small And Community Wind Serves as the Testing Ground for New Structures

Recent Innovations

November 2009 - RUS loan with tax equity - Fox Islands Wind

June 2010 – New market tax credits – Coastal Energy

December 2010 – Sale Leaseback - Ridgewind Power Partners

Feb 2011 – Intrastate debt/equity offering – South Dakota Wind

On the Horizon

Community Wind Act – provides sub 20MW projects with ITC

Master Limited Partnerships - access to public infrastructure investors

Entrance of coops and munis – 3,000 tax exempt owners



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