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Wind Farm Development

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IBERDROLA Renewables Today: The worldwide leader[(1)]. . .

#1 Worldwide: Presence in 19 Countries [(1)]

Europe	**#1**
Spain	**#1**
United Kingdom	**#1**
United States	**#2**

#1 in the Pipeline [(2)]

NOTES
(1) Proforma Scottish Power
(2) Based on pipelines announced to the markets by competitors

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#1 Worldwide

- **9,624MW Installed Worldwide**
- **3,031MW Installed in USA (31%)**
- **#2 in USA**
- **Active in 20 States**
- **7 Sites Under Development in Wyoming**
  - **6 Counties**
  - **~2,500MW**
- **Corporate Goal: 1,000 MW/yr in USA**

Presence in renewable energy in 19 countries.

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Source: Company data as of June 30, 2007, Proforma Scottish Power

Project Development

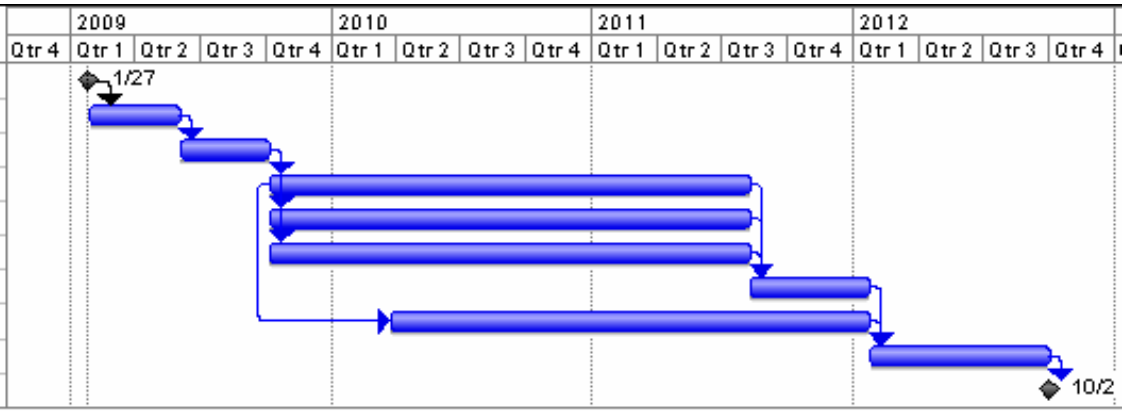
- Preliminary Site Identification
- Land Acquisition
- Development Activities
- Construction

Identify Roadblocks to Success

- Regulatory Uncertainty
- Tax Regimes
- Infrastructure (Transmission)

Basic Development Schedule

Task Name	Duration	Start
Initiate Project Development	0 days	Tue 1/27/09
Site Identification	90 days	Wed 1/28/09
Site Control	90 days	Wed 6/3/09
Data Collection	24 mons	Wed 10/7/09
Interconnection Process	24 mons	Wed 10/7/09
Permitting	24 mons	Wed 10/7/09
Detailed Engineering	6 mons	Wed 8/10/11
Marketing	24 mons	Wed 3/24/10
Construction	9 mons	Wed 1/25/12
Complete Project Development	0 days	Tue 10/2/12



Prospecting to identify sites

Secure land options

Complete met Studies

Attain permits & access to transmission

Close PPAs

Commercial Operation

Site Selection

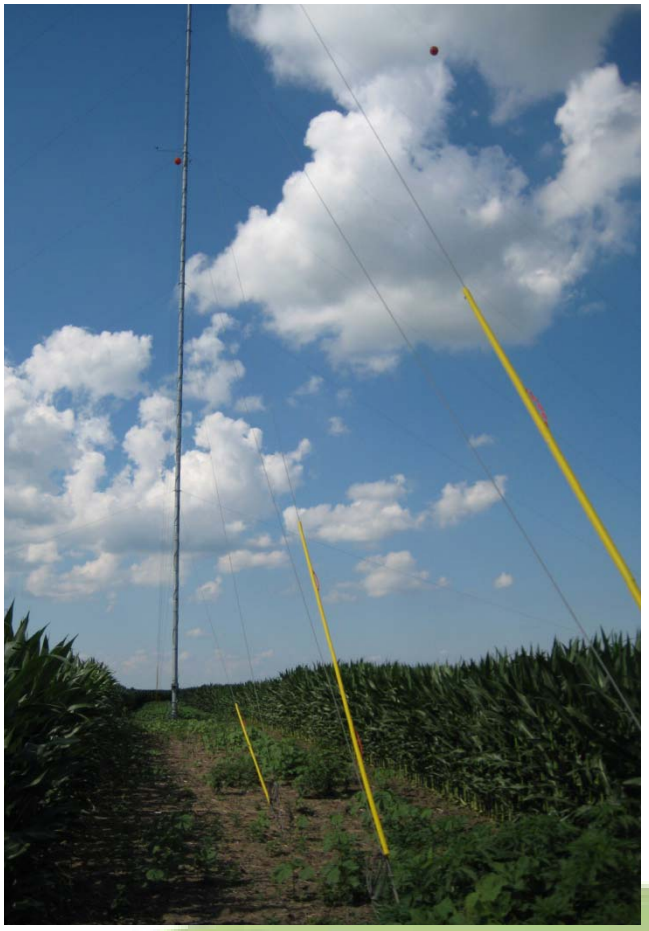
- Wind Resource
- Access to Transmission
- Ownership
- Other Considerations

Acquire Land

- Wind Lease
  - –Development Period
    - $/acre
    - 5 years
  - –Extended Period
    - Nameplate Capacity
    - Generation

Wind Data Collection

- Install 1-3 met towers in representative locations; # of towers depends on size of project area and topographic complexity
- If available, correlate to nearby long-term reference data point
- After 6-12 months of data collection, create initial turbine layout and add towers within planned corridors



Ongoing Development Activities

- Monitor and analyze wind data
- Request interconnection
- Identify permitting requirements
- Perform environmental/cultural studies
- Market power
- Work with local officials

Interconnection Process

- **OASIS request** establishes queue position
- **Feasibility Study** is initial, high-level report and rough cost estimate (~3-6 months)
- **System Impact Study** is more detailed report and more accurate cost estimate and breakdown (~3-6 months)
- **Facility Study** is very detailed and provides complete explanation of what facilities would be required, whether they would be network upgrades or project-specific (direct assignment) and full cost breakdown (~6-9 months)
- **Interconnection Agreement** sets responsibilities between generator and transmission provider and is typically filed with FERC (~3-6 months)
- **Construction** of necessary upgrades (timing depends on scope, could be anywhere from 6 months to multiple years)

General Permitting Studies

- Biological
  - Collection of existing data
  - Avian point-count field surveys (multiple seasons)
  - T&E, Rare Plants, Wetlands
- Cultural
  - Desktop analysis
  - Tribal consultation
  - Pedestrian Field Surveys
- Other
  - FAA
  - Military (radar and flight paths)
  - Local land use standards (socioeconomic, visual, noise, etc.)

Marketing the Project

- Power Purchase Agreement (PPA)
- Build to Sell (BTS)
- Liquid Market

Working with local officials

- Roads & other impacts
- Economic Development
- Payment in Lieu of Taxes (PILOT)

Final Development Activities

- Final Layout
- Engineering and surveys for roads/collection system
- Contractor bids
- Coordinate turbine delivery and construction schedules

Balance of Plant (BOP) Facilities

- Access Roads – Gravel roads linking wind turbine strings to existing roads.
- Electrical Collection System – Cables that electrically connect wind turbines to the project collection substation.
- Project Collection Substation –Steps up voltage to interconnection level.
- Operations & Maintenance Building – Houses central office, computer systems for facility operations, equipment storage and maintenance areas.

Road and Turbine Staking

- Consult with landowners
- Consult with highway department

Construction

- 1st Land payments
- Landowner consultation
- 1st Economic benefits

Access Road

Trenching Equipment

Complete Foundation

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Graded Foundation

Wind Turbines
2.0 MW Gamesa G87 Example

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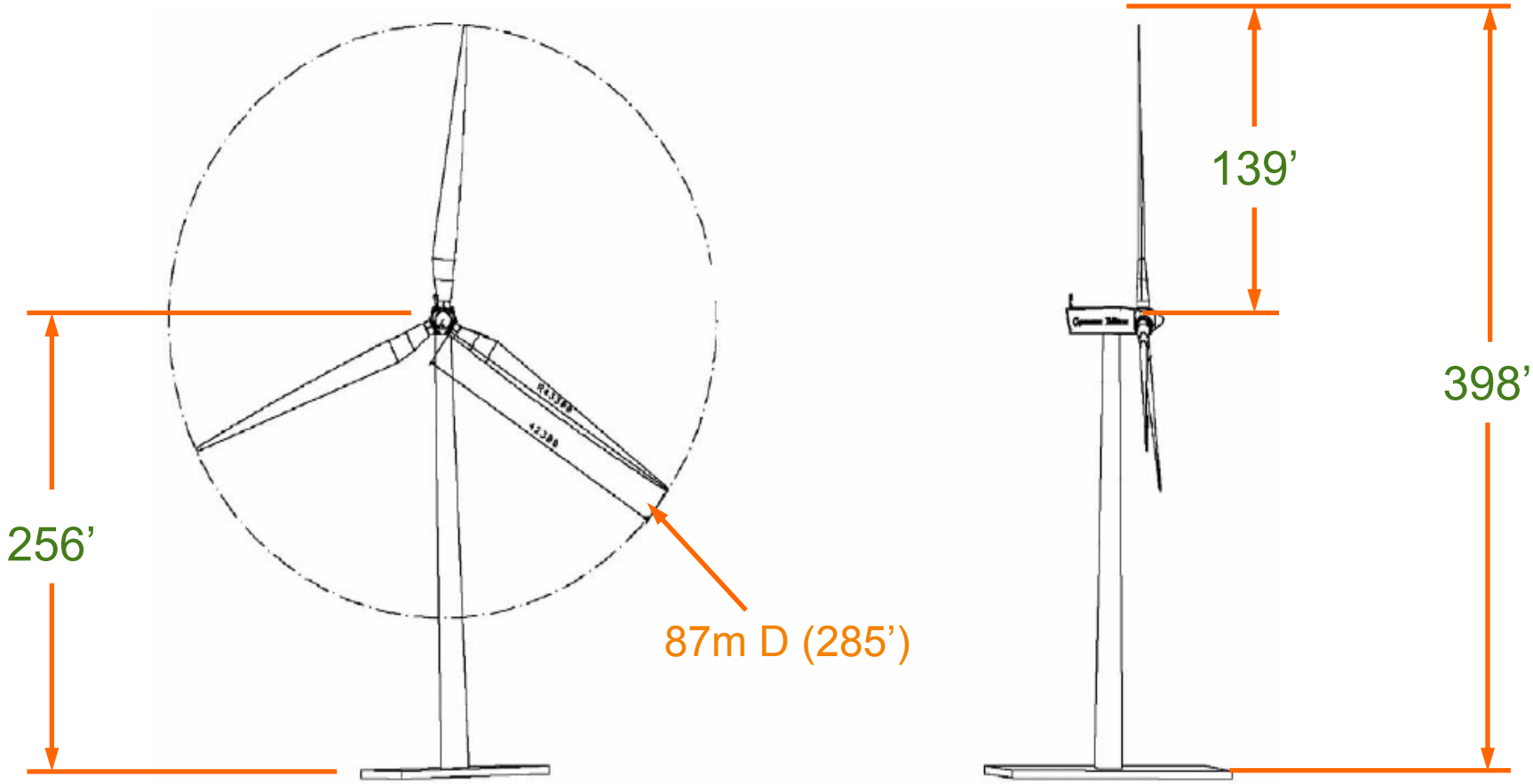

Blades Delivered

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Nacelle Delivery

Nacelle

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Tower Erection

Turbine Erection

Rotor on Site

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Transmission

Substation Excavation

Substation

O&M Building

Wind Farm

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Economic Development

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Conclusion

QUESTIONS?

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