

GE Energy Financial Services

US Wind Energy Market

Tim Howell
Managing Director, Commercial Leader
Power and Renewable Energy

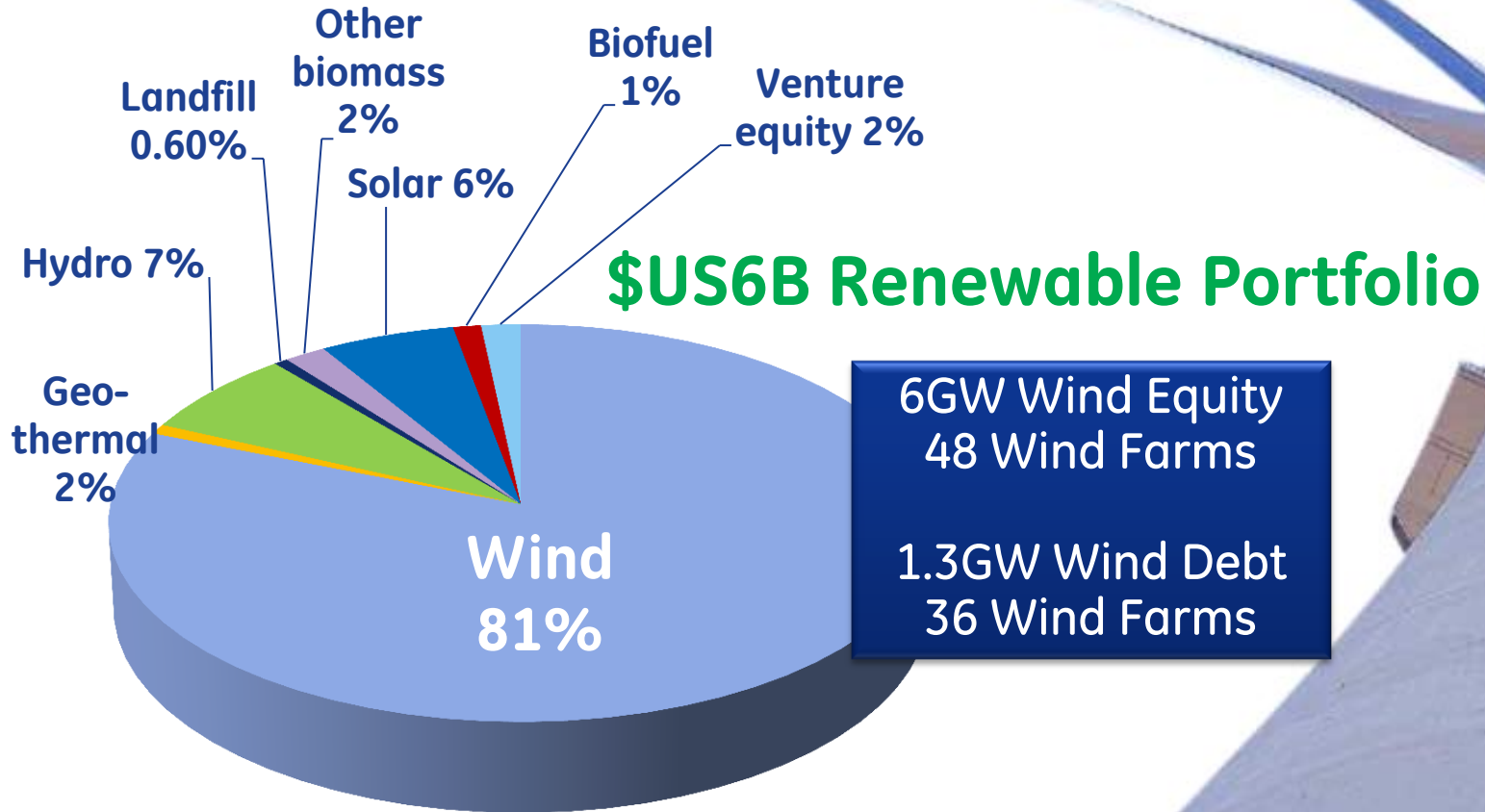
AWEA US Wind Energy Summit
October 20, 2010



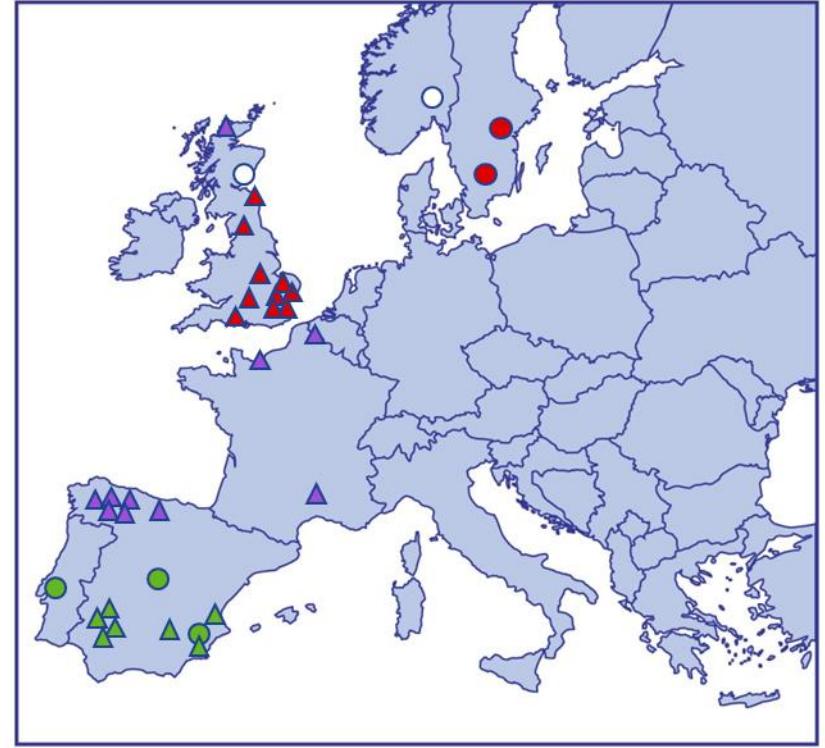
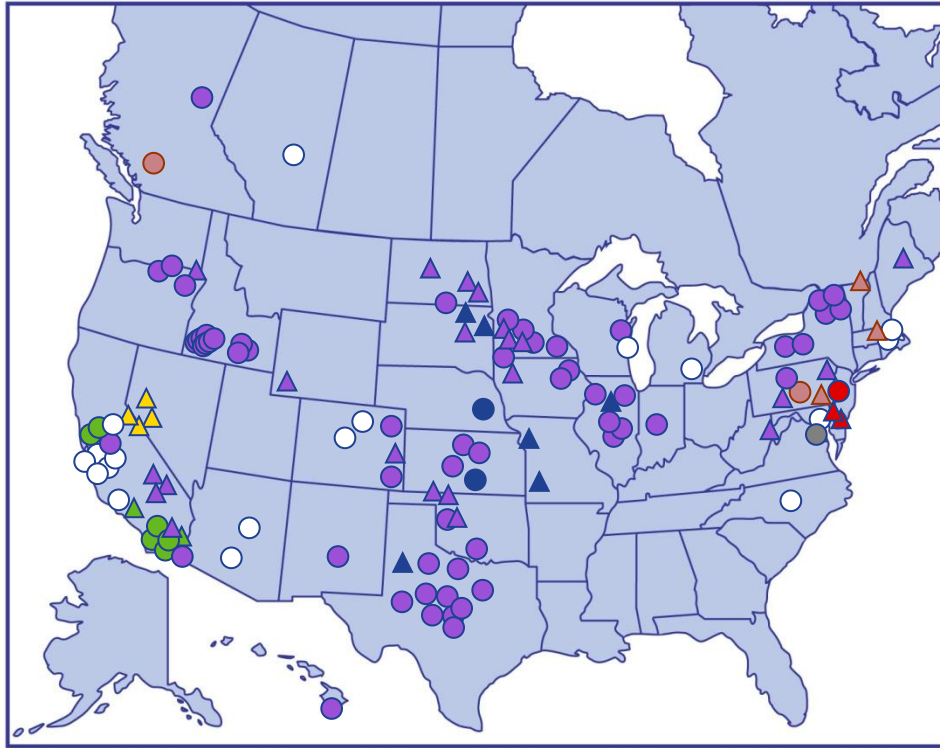
imagination at work



GE Energy Financial Services: Leading renewable energy investor...



with a diverse renewable footprint



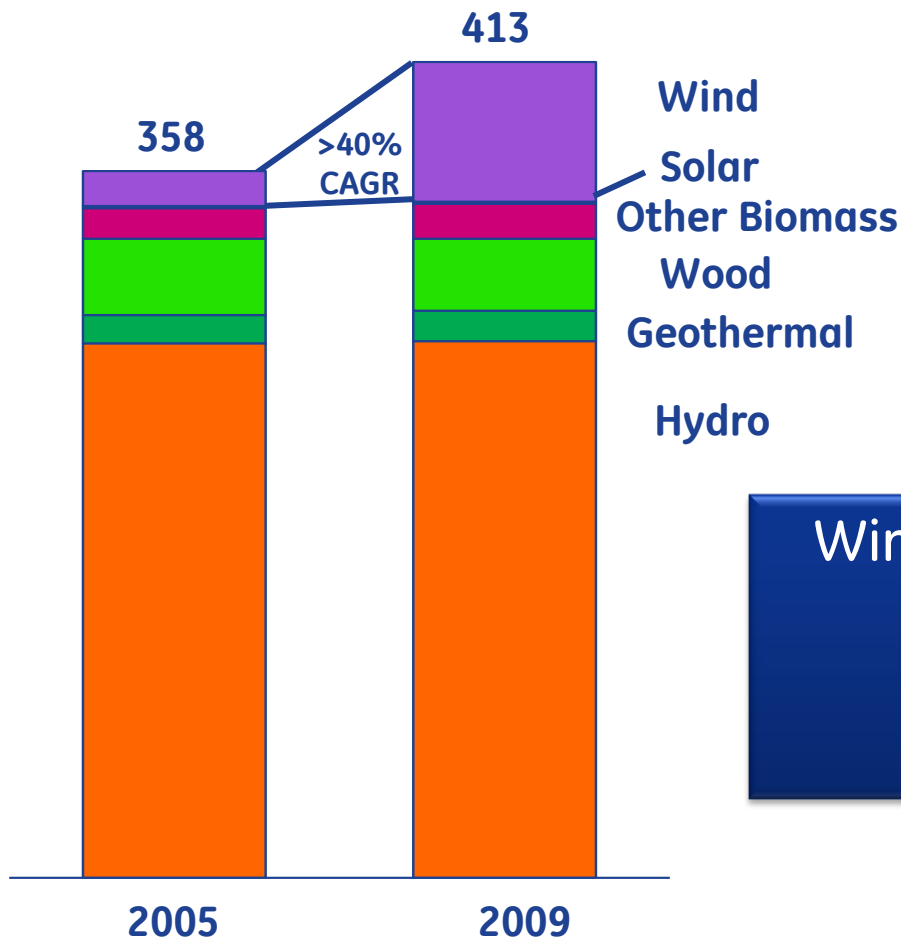
Equity*	Debt	Technology	Equity*	Debt	Technology
● (Purple)	▲ (Purple)	Wind	● (Yellow)	▲ (Yellow)	Geothermal
● (Dark Blue)	▲ (Dark Blue)	Biofuels	● (Red)	▲ (Red)	Biomass & LFG
● (Green)	▲ (Green)	Solar	● (Grey)	▲ (Grey)	Carbon
● (Orange)	▲ (Orange)	Hydro	○ (White)	△ (White)	Venture capital

Not Shown	
○ (White)	● (Red) Singapore
○ (White)	● (Purple/Orange) Turkey
○ (White)	
○ (White)	
○ (White)	

* Includes leases

Wind is fastest-growing renewable technology in US

Sources of US Renewable Power Generation (TWh)

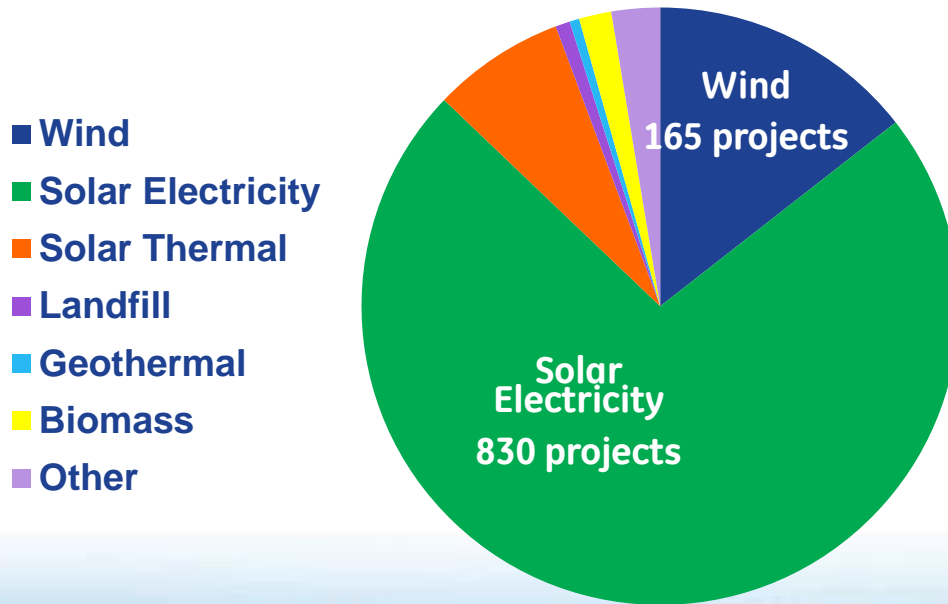


Wind Share of Non-Hydro
50% in '09
vs.
20% in '05

Treasury Grant Program... Success

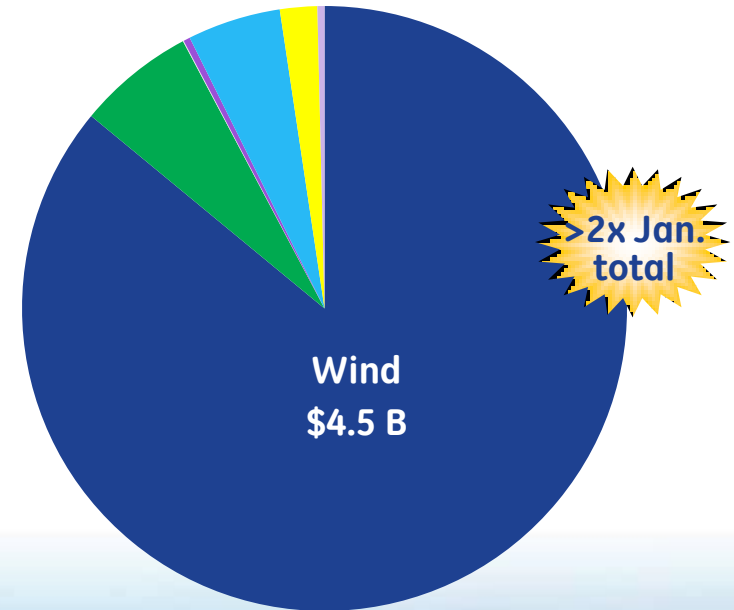
Projects by Technology = 1142

January '10 = 225



Grants Paid by Technology = \$5.23B

January '10 = \$2.2B

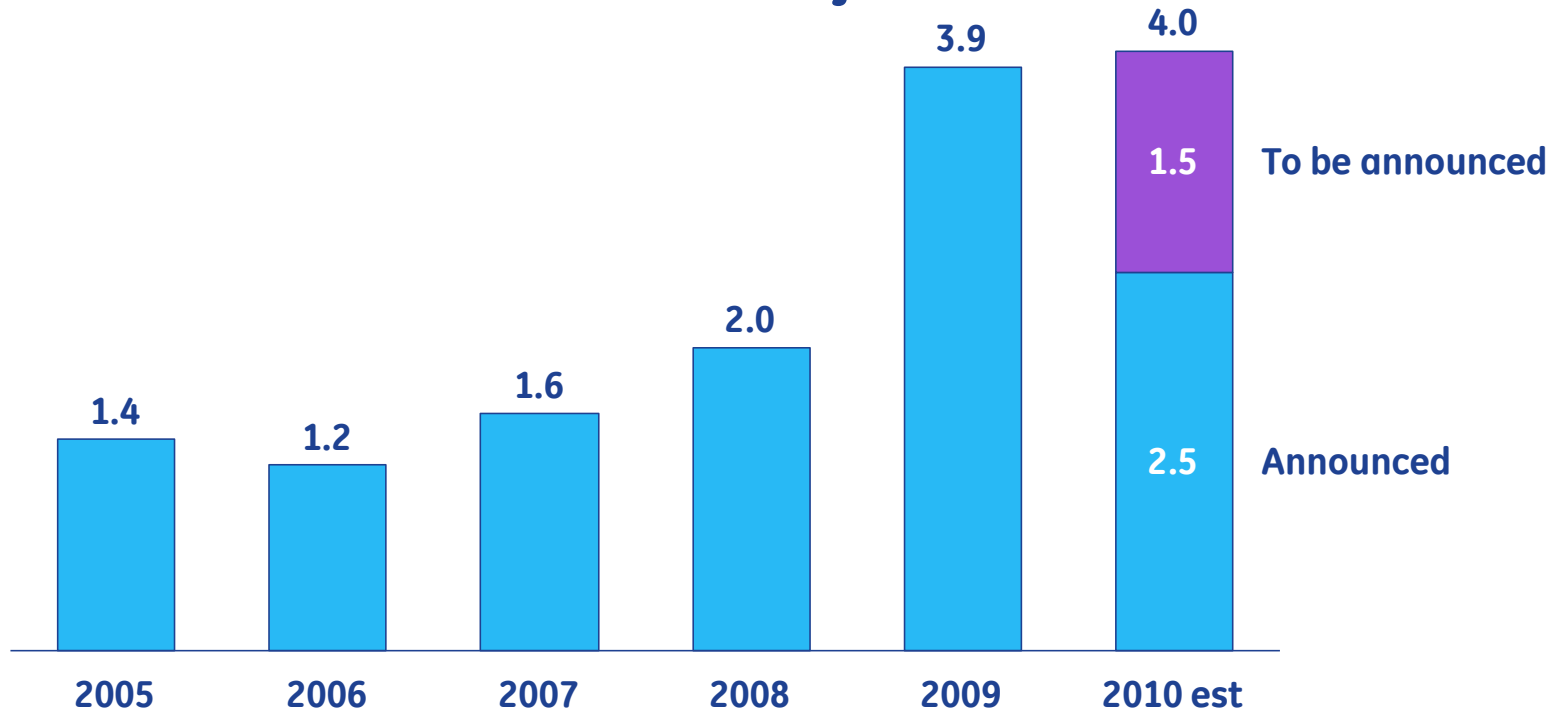


Source: U.S. Dept. of Treasury



Grant program opened door for increased project debt

Term Debt Closed for US Wind Projects (\$B)

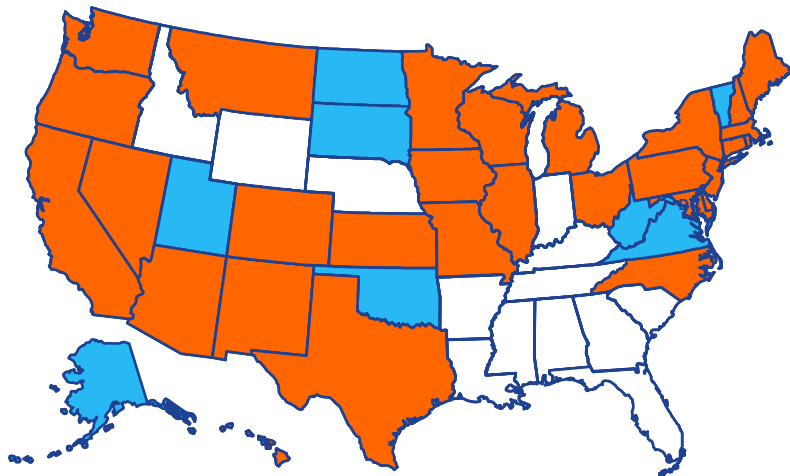


Data: Infrastructure Journal

Note: Greenfield, acquisitions, and refinancings. Includes term debt, letters of credit, debt service reserves. Excludes construction financing and short-term Treasury Grant equity bridge loans

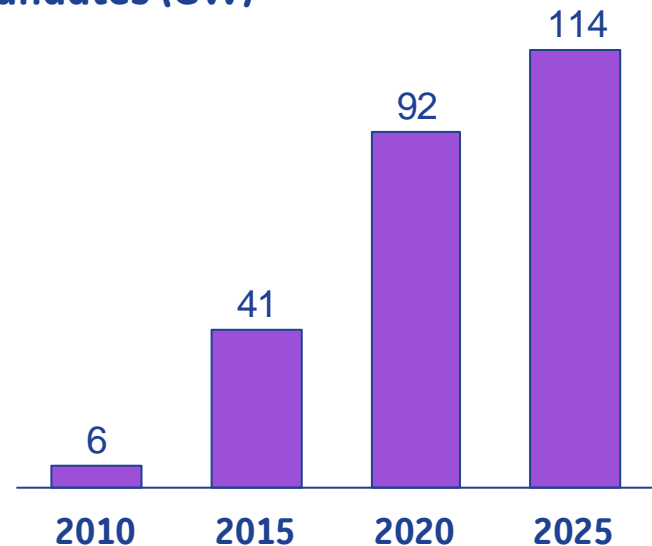
State Renewable Portfolio Standards also driving growth

30 Mandates + 7 Goals



■ Mandatory RPS
■ Non-binding goal

Wind Equivalent to Comply with State Mandates (GW)



Note: Assumes 35% average capacity factor

- States mandating ~5% in '11 ... ~10% in '20
- Potential federal mandate ... 15% by '20
- Pressure to increase targets

Challenges to growth

- Economic PPA's Hard to Find
- Historically Low Wind
- Transmission Constraints
- Environmental Hurdles, e.g. birds, bats, radar, noise...
- Inefficient Incentives
- Carbon/Renewable Policy Uncertainty



GE Energy Financial Services' Approach

Customized Partnership Flip Structures

EFS:

- Takes Late-Stage Development Risk
- Pays Up-Front Fee
- Provides Large Equity Underwritings
- Supports Debt Structuring and Arrangement
- Improves Financing (Tax) Efficiency... Treasury Grant or PTCs

While Allowing Developers:

- Initial Investment Flexibility
- On-going Interest
- Operational Control
- Residual upside



Selected wind investments since '07

<p>Project Equity</p>  <p>205MW: wind farm Minnesota</p> <p>2007</p> 	<p>Project Equity</p>  <p>459MW: 3 wind farms Texas</p> <p>2007, 2008</p> 	<p>Project Equity</p>  <p>164MW: 2 wind farms Texas, Kansas</p> <p>2007, 2008</p> 	<p>Project Equity</p>  <p>180MW: wind farm North Dakota, South Dakota</p> <p>2008</p> 	<p>Project Equity</p>  <p>166MW: wind farm Texas</p> <p>2008</p> 
<p>Project Equity</p>  <p>498MW: 4 wind farms Illinois, Texas, Wisconsin</p> <p>2008</p> 	<p>Project Equity</p>  <p>613MW: 6 wind farms New York</p> <p>2008, 2009</p> 	<p>Project Equity</p>  <p>1103MW: 7 wind farms Iowa, Ill., Oregon, Minn., Okla., Kansas</p> <p>2008, 2009</p> 	<p>Project Equity</p>  <p>845MW: wind farm Oregon</p> <p>2009-12</p> 	
<p>Project Equity</p>  <p>144MW: wind farm British Columbia</p> <p>2009-10</p> 	<p>Project Equity</p>  <p>152MW: wind farm Oklahoma</p> <p>2010</p> 	<p>Project Equity</p>  <p>32.5MW: 2 wind farms Turkey</p> <p>2010</p> 	<p>Project Equity</p>  <p>183MW: 11 wind farms Idaho</p> <p>2010</p> 	



Contact:

Tim Howell

Managing Director and Commercial Leader

Power and Renewable Energy

GE

Energy Financial Services

800 Long Ridge Road

Stamford, CT 06927

Phone: (203) 961-2493

Email: tim.howell@ge.com

www.geenergyfinancialservices.com

