



Project Matching: Facilitating New Renewable Energy Projects Project Proposal Submittal Form

Opportunity Overview

Apex is pleased to discuss power offtake and investment opportunities for the Ford Ridge Wind Project with interested parties. For power offtake contracts we are open to consider contract sizes from 5 MW up to the full 124 MW capacity and we are open to contract lengths of 5 years to 20 years. On the investment/ownership side there are opportunities for partial or 100% stakes in the sponsor equity and tax equity financing of the project.

This project is PTC-qualified and in an advanced stage of development with no significant development hurdles anticipated to reach the scheduled Q4 2017 commercial operation date. We are actively discussing power offtake and finance opportunities for this project with interested parties and encourage those interested in additional information to contact us immediately following the webinar.

Contact Information

Ellen Gilman
ellen.gilman@apexcleanenergy.com
434-220-6342

Project Summary

Project name:

Ford Ridge

Developer name:

Apex Clean Energy

Renewable energy type:

Wind

Project city/state:

Ford County, Illinois

Project geographic coordinates (To find, use: www.latlong.net/):

Latitude 40.62 **Longitude** -88.37

Total planned megawatt (MW DC) size:

Contracts available for 5 MW up to the entire 124 MW project capacity

Are there phases? If so, how many and in what size tranches?

The project can be apportioned out in segments to interested buyers but the project will be constructed in one phase.

What is the expected annual output of the completed project (MWh)?

Contract portions available for anywhere from 15,000-20,000 MWh (5 MW) annual production up to entire project output of 525,000-550,000 MWh (124 MW).

Expected date of construction commencement:

Q4 2016

Expected date of commercial operation:

Q4 2017

What is the largest development hurdle and how is it anticipated to be overcome?

The largest development hurdle is managing the schedule for the interconnection upgrades in order to maintain the 2017 commercial operation for the project. The upgrades are expected to take two years to complete so they require execution of the Interconnection Agreement and issuance of notice to proceed for the upgrades in Fall 2015. We are currently trying to work with potential project off-takers and buyers to secure agreements to enable placing the required upgrade deposits.

Can you provide examples of similar projects you have developed?

Apex has a diversified portfolio of over 10,000 MW of wind and solar energy facilities in development around the country. In addition, it has signed contracts for the sale of six (6) Projects totaling over 1400 MW of capacity:

- In December 2012, the company completed the development and construction of the 300 MW Canadian Hills Wind Project outside Oklahoma City. At the time of its construction, Canadian Hills was the largest single-phase wind farm in Oklahoma. The Project, which utilizes both Repower and Mitsubishi turbines, sells all of its power through long-term PPAs with three utility off-takers.
- In April 2014, Apex executed a transaction governing the financing, construction, and sale of the 98 MW Hoopston Wind Project to IKEA. In March 2015, Apex completed the construction and transferred ownership of the completed Project to IKEA. Apex will perform

asset management services for IKEA over the life of the Project. The Hoopston Wind Project utilizes Vestas turbines.

- In October 2014, Apex executed a similar transaction for the financing, construction, and sale of the 165 MW Cameron Wind Project to IKEA. Apex is managing construction of the Project and will transfer ownership to IKEA upon commercial operation, which is scheduled for Q4 2015. The Cameron Wind Project will utilize Acciona turbines.
- In December 2014, Apex completed the sale of its 300 MW Balko Wind Project to an affiliate of D.E. Shaw. The Balko Project, which utilizes GE turbines, is expected to begin commercial operation in Q3 2015.
- In January 2015, Apex completed the sale of its 300 MW Kingfisher Wind Project to First Reserve. Apex is currently managing construction of the Project and will serve as asset manager as well. Kingfisher, which will utilize Vestas turbines, is expected to begin commercial operation in Q4 2015.
- In February 2015, Apex executed a transaction governing the sale of the 300 MW Kay Wind Project to Southern Power Company. Apex will finance and construct the Project, and transfer ownership to Southern upon commercial operation, which is anticipated in Q4 2015. The Kay Wind Project will utilize Siemens turbines.

Site Readiness

Has the project received all necessary federal, state, and local permits to proceed with construction and operation? If not, please outline the key permits required to proceed with project construction/operation and describe the steps you have taken in order to evaluate and address permitting risk for this project.

The Ford Ridge project requires a Special Use Permit from Ford County. This SUP has been secured. Comprehensive environmental site studies have been completed and show minimal impact and no fatal flaws. The Project has coordinated with USFWS and has been deemed a low risk site.

Have you secured long-term site control? If so, please describe the nature of the agreement (lease, ownership, etc.)?

Yes, over 12,000 acres are signed under long term lease agreements. A short generator tie line will be needed and approximately 90% of those agreements are completed.

Have land leases been filed with the county?

Yes, all land leases have had memos recorded with Ford County.

Does the project require either an Environmental Impact Statement or Environmental Assessment? If so, what is the status?

No, the project will not require an EIS or EA.

Is this project sited on a current or formerly contaminated land, landfill or mine site?¹ If so, has the site addressed the related environmental issues?

No; not applicable.

Interconnection

What is the status of interconnection, and have system impact and facility studies been completed? (Distribution or transmission level projects are both eligible)

A 124 MW interconnection application was filed for the project in July 2014. The position entered Definitive Planning Phase with MISO in January 2015. The expected final Facility Study results are expected in the Winter of 2015 with the Interconnection Agreement to be issued shortly after that.

When do you expect the interconnection study process will be complete?

We expect the Interconnection study process to be complete by Q1 2016.

Does the transmission owner (TO) or independent system operator (ISO) have a process to study the project's impact on the local or regional grid and the subsequent cost to interconnect?

Yes, this project connects to the MISO grid and is studied accordingly.

Operation & Financing

Is any element of the project – technology or systems – experimental or pilot-phase or proven technology?

No. All technology and systems used for the project are proven.

What is the long- and short-term plan for operating and maintaining the project?

Apex will serve as the long-term operator of the project subject to agreement with the Project's sponsor equity investor. Apex is currently contracted to serve this role on 1 MW of assets that are online or scheduled for completion in 2015.

The Apex asset management team provides oversight, management, and optimization of the Project:

- Site Services: safety, stakeholder relationship management, operations and maintenance
- Market Services: performance monitoring and forecasting, scheduling, market participation, NERC compliance
- Administrative Services: compliance, accounting, insurance, tax, legal, reporting & analysis
- Asset Optimization: research, analysis, and implementation of new technologies, optimization to changes in market conditions

¹ Examples of such properties could include brownfields, municipal solid waste landfills, abandoned mine lands, and Superfund sites, among others subject to state or federal authorities or cleanup programs.

The Project's turbine supplier is anticipated to be the initial primary subcontractor for the operations and maintenance of the project's turbines, and will provide all required scheduled and unscheduled service, maintenance and repair work (including all parts, consumables, tools / cranes) under a fixed fee service agreement that will include an annual availability warranty.

For wind projects, has a meteorological tower been installed? If yes, when was the tower installed and how much data has been collected?

Two 60-meter towers and one 80-meter tower have been collecting wind data since 2009.

Provide a short summary of how you view project finance and structure/ownership taking shape for this project:

Apex is actively discussing investment and ownership opportunities for the project with potential investors and is open to new discussions for partial or full sponsor equity and tax equity positions.

In anticipation of a 2016 COD for the Project, the proposed capital structure will include the following:

- **Construction Period.** During the construction period, Apex assumes that 85-90% of the capital required to construct the Project will be provided by a construction loan and 10-15% from the long-term equity sponsors, which will be Apex and its equity partners.
- **Operational Period.** Upon or shortly after COD, Apex anticipates the Project's capital structure to be as follows: (i) 60% will be supported by tax equity investors; and (ii) 40% will be supported by our sponsor equity investors, which will be Apex and its equity partners.

This structure is identical to the structure Apex has used to finance many of their projects. For example, for the 300 MW Balko Wind Farm, the tax equity investors are GE, Bank of America, Citi Group, and Google. For the 298 MW Kingfisher Wind Farm, the tax equity investors is a Strategic investor owned utility. Additional counterparties we have worked with for tax equity include JP Morgan, Union Bank, State Street and MetLife. For construction lenders, we have worked with Morgan Stanley, Key Bank, and Santander. With current market knowledge of needs of financing counterparties from recent large financings such as these, Apex is confident that it will close a successful financing for Grant Plains on time to support a November 2016 COD.

Partners

In what ways can organizations participate in the project? (Check all that Apply)

- Power purchase agreement for bundled power and RECs**
- Financial hedge or contract for differences**
- Long term REC offtake**

Financial investment / ownership stake

Other, please specify: _____

What are some of the characteristics of your ideal power purchaser, investor, or other partner?

Power purchasers, investors or other partners should have investment grade credit.

What marketing opportunities exist at the project?

Apex is open to discussing marketing opportunities such as naming rights with project partners.