



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

Project Summary

Project name: Flat Top Wind Energy

Developer name: Pioneer Green Energy

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Renewable energy type: Wind

Project city/state: Comanche and Mills Counties, Texas

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

Latitude N 31° 41' 7.311" **Longitude** W 98° 36' 10.4574"

Grid system operator (ISO, RTO) that the project will interconnect to: ERCOT

Total planned megawatt (MW DC) size: 200 MW

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

What is the expected annual output of the completed project (MWh)? 660,000 MWh/year

Expected date of construction commencement: Q4 2016

Expected date of commercial operation: December 1, 2017

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

Some development work remains, including completing the interconnection process, environmental study, and tax abatement. All are normal development items well within Pioneer's scope of recent experience and capabilities.

Can you provide examples of similar projects you have developed?

Miami Wind Energy Center – 288.6 MW, Roberts/Hemphill/Gray Counties, Texas (operating)

Logan's Gap Wind Farm – 200 MW, Comanche County, Texas (operating)

Green Pastures Wind – 300 MW, Baylor & Knox Counties, Texas (operating)

Pumpjack Solar I & Wildwood Solar I – 40 MW, Kern County, California (operating)

Great Bay Solar I – 75 MW, Salisbury County, Maryland (COD December 2016)

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.

There are no local or county permit requirements and no significant state level permit requirements. Pioneer has begun the tax abatement process.

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

Pioneer has secured all land rights for approximately 17,000 acres of agricultural and ranch land in Comanche and Mills Counties, Texas. Additional lease negotiations are ongoing.

Have land leases been filed with the county? Yes

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

Flat Top does not require an EIS or an EA. The project will comply with any and all county, state, and federal environmental compliance requirements. Pioneer is very familiar with the area because of the existing Logan's Gap Wind project (2015 COD) and does not expect any significant environmental risks. Environmental studies are in progress.

Interconnection

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

The proposed point of Interconnection is along Oncor's Comanche – Brown 345kV line (not a CREZ line) north of the project site. This line has an excellent available transmission capacity. An Interconnection Agreement is under negotiation with Oncor with execution expected in February 2016.

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

The ERCOT study process has been completed and no upgrades are needed up to 400 MW of capacity.

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?

The ERCOT study process has been completed and no upgrades are needed up to 400 MW of capacity.

Operation & Financing

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

The project owner will operate and maintain Flat Top through a dedicated O&M facility located on the project site.

Briefly describe why this site is a good candidate for renewable energy development and the process you used to reach this conclusion (e.g., meteorological tower data collection).

Pioneer and participating landowners have collected wind resource data in the project area since 2008. The collected data were correlated with long-term reference data, and together formed the dataset for annual energy estimation.

Pioneer has five 60-meter meteorological towers currently operating on site and also possesses historical data measured from two met towers that were previously installed in the project area. All of these met tower sites, combined, will provide full coverage of the project area to make the wind resource assessment as accurate as possible, and allow for a strong degree of confidence when analyzing the project's energy output. DNV-GL has conducted preliminary modeling for the site based on wind data available as of August 2015.

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

Sponsor Equity typically approaches lenders a few months prior to construction to provide construction financing and Tax Equity funding commitments. The construction loan combined with Sponsor equity will raise sufficient capital to fund the construction cost of Flat Top. On or shortly after start of Commercial Operation, the construction financing is replaced by more permanent financing, such as a term loan or tax equity investment. The security and collateral package during the term loan period is usually the same as that during the construction period, a pledge of the equity in the project company, a pledge of all project assets and collateral assignment of certain material project contracts.

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**
- ✓ **REC arbitrage / REC swap (e.g., Partner would not own the RECs associated with the project)**
- ✓ **Financial investment / ownership stake**
- ✓ **Other, please specify: __Pioneer is open to discussions with interested buyers regarding other contract structures that may be of interest to them.**

Is the project's ability to secure financing or enter the development phase contingent on finding a partner as detailed in previous question?

The development phase of Flat Top is nearly complete, and Pioneer did not require partners for this investment. However, securing tax equity financing and/or long-term project financing commitments requires hedging of expected project revenues through either a power purchase agreement, financial hedge or contract for differences to meet investor requirements.

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

In the past five years, Pioneer has concluded power purchase agreements with commercial/industrial end users, government agencies and utilities as well as arranged hedge agreements with leading commodity traders or banks. The ideal power purchaser is able to contract for a term greater than ten years.

Pioneer has also recently concluded renewable generation project sale transactions with independent power producers, infrastructure investment funds, private equity investors, institutional equity investors and integrated utilities. We are happy to offer investors well-executed, low-risk renewable energy projects in high-value energy markets.

What marketing opportunities exist at the project for the partnering entity? Examples might include, naming rights, press support, ribbon cutting ceremonies etc.

Pioneer works to ensure that project owners retain all potentially valuable marketing options and that there are no constraints upon the form or content of the messaging or image campaign they might wish to pursue.