WestLB

New Answers in Banking

UNEP Finance Initiative
Renewable Energy Project Finance

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European Wholesale Bank with Global Reach

At Glance

- WestLB is a top tier wholesale bank with a broad range of commercial and investment banking services
- WestLB has a global network of offices in 28 countries with a substantial presence in all major financial centers world-wide
- With headquarters in Düsseldorf, Germany, WestLB is one of Europe's largest banks
- Total assets amount to approximately EUR 300 billion
- Approx. 60,000 employees worldwide

Business Focus

- WestLB is a financial partner for large corporate clients including financial institutions, mid-sized corporates, and project developers
- WestLB has a strong international reputation in the following product areas:
  - Project and Structured Finance
  - Asset Backed Financing
  - Asset Management
  - Credit Products
  - Equity Solutions
  - M&A Advisory
  - Trade & Commodity Finance
  - Treasury & Fixed Income
- WestLB was created in 1969 by the merger of its predecessor institutions Landesbank für Westfalen, founded in 1832 and Rheinische Girozentrale and Provinzialbank, founded in 1854
- In 2002, WestLB was reinvented into its current form by concentrating all commercial business in the new WestLB AG

WestLB Scope of Services

As advisor and arranger, WestLB's typical scope of work would include:

Financial Structuring

- Develop optimal financial structure given multiple classes of debt obligations
- Finalize financial models
- Work with appropriate third-party consultants
- Present at meetings with financing sources
- Evaluate potential financing sources
- Source and negotiate with mezzanine/Holdco debt

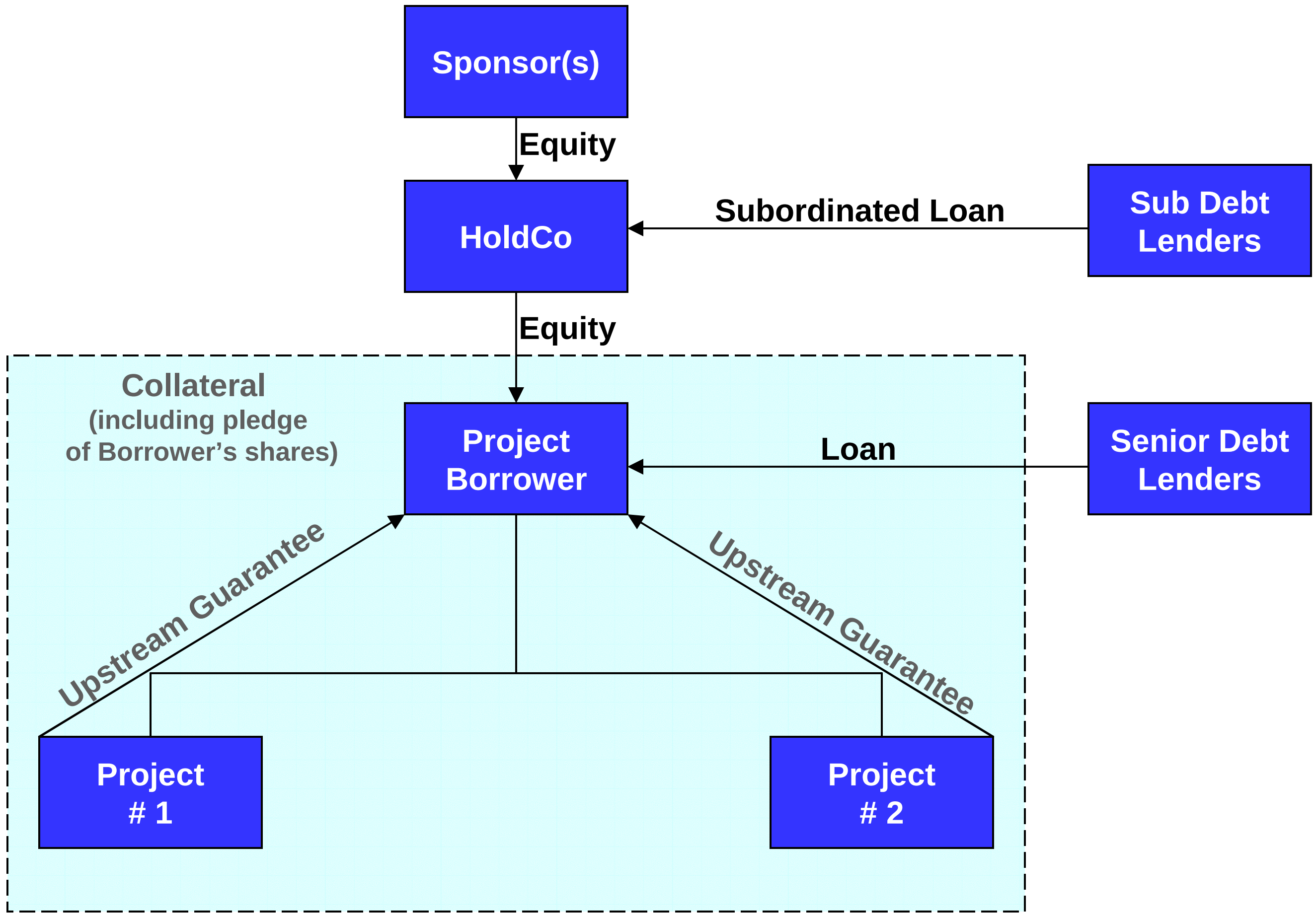
Project Finance Execution

- WestLB would act as advisor, underwriter, placement agent, arranger and lender (as appropriate)
- Drafting material to be presented to rating agencies
- Present material to rating agencies with the intention of obtaining the optimal rating for the Project
- Assist in preparation of offering memorandum, investor presentations, financing agreements and other materials
- Assist with other activities necessary in connection with intercreditor issues, institutional / bank financing of the Project

M&A Advisory

- Provide support to client throughout bidding process
- Assist client in developing a target valuation
- Assist client in all aspects of financial, contractual, and structural due diligence
- Provide financial support letters as required
- Structure bridging facilities as may be required on terms acceptable to client and WestLB

Portfolio Financing Structure



Summary of Potential Senior Debt Financing Alternatives

Bank Market

Advantages
- Delay draw during construction
- Prepayment at par
- Ethanol industry experience
- Familiar with construction risk
- Ratings not required
- Lowest all-in pricing

Disadvantages
- Potentially Lower Leverage

Optimal Usage
- Greenfield projects
- First lien debt

Execution Risk
- Low

Recent Financings
- ASAlliances Biofuels
- Cascade Grain Products
- Pacific Ethanol (Tranche A)
- White Energy
- Abengoa Bioenergy (Maple)
- Marquis Energy

Term Loan B

Advantages
- Potentially greater leverage

Disadvantages
- Negative arbitrage during construction
- Non familiar with Construction Risk
- Prepayment penalties
- Ratings required
- Higher Pricing

Optimal Usage
- Operating projects or Portfolio of projects
- Second lien debt

Execution Risk
- Medium

Recent Financings
- Central Illinois
- Abengoa Bioenergy (Ravenna)
- Pacific Ethanol (Tranche B)
- Hawkeye Renewables
- Northeast Biofuels

High Yield Bond Market

Advantages
- Longer maturities
- No mandatory cash sweep

Disadvantages
- Negative arbitrage during construction
- Non familiar with Construction Risk
- Higher Pricing
- Ratings required
- Prepayment penalties

Optimal Usage
- Operating Project Portfolios

Execution Risk
- Medium

Recent Financings
- VeraSun Energy
- Aventine Renewable Energy Holdings

Senior Bank Market

- **Capital Structure**
  - **Senior Debt:** 60% – 65% leverage up to $1.00 - $1.10 / gallon
  - **Subordinated Debt:** 15% – 20% (injected as equity)
  - **Equity:** 20% – 25%

- **Tenor**
  - Construction loans 18-24 months with application of funds would be equity, subordinated debt followed by senior debt
  - Term Loan of approximately 6 years

- **Amortization**
  - Ranges from 1% to 6% of original principal
  - Mandatory cash flow sweep of 40% minimum up to 100% based on target balances and VEETC renewal expiration

- **Other Features**
  - Waterfall distribution of cash
    - operating expenses,
    - senior debt service,
    - cash sweep,
    - taxes
    - subordinated debt service,
    - Equity

  - 6-month DSRA, working capital reserve and operating and maintenance reserve
  - Minimum distribution tests

Senior Bank Market (cont’d)

Advantages

- Total senior secured financing can be up to 65% of total capital cost depending on the overall cost structure
- Low execution risk for the financing
- Terms and conditions will largely reflect those obtained for competing ethanol plants
- Can accommodate multiple plant construction and term
- No prepayment penalties
- No ratings required

Disadvantages

- Somewhat restrictive covenants
- Inclusion of sub-debt may complicate execution
- Limits debt investor base to commercial, agricultural and regional banks
- Cash sweep provisions must achieve a 3 to 4 year repayment profile under base case assumptions

Selected Expertise in Power and Alternative Fuels

US / August	Abengoa Bioenergy Maple, LLC	USD 300,000,000	Two Ethanol Project Portfolio	Joint Lead Arranger Joint Bookrunner Administrative Agent
US / July 2007	Illinois River Energy, LLC	USD 140,000,000	Senior Secured Credit Facility	Sole Lead Arranger Sole Bookrunner Administrative Agent
US / March 2007	Longview Power	USD 1,100,000,000		Joint Bookrunner Financial Advisor
US / February 2007	Pacific Ethanol	USD 325,000,000	Five Ethanol Project Portfolio	Joint Lead Arranger Sole Bookrunner Administrative Agent
US / December 2006	NorTex Gas Storage Company, LLC	USD 335,000,000		Joint Bookrunner & Financial Advisor
US / October 2006	White Energy, LLC	USD 298,500,000	Refinancing and amendment of a Portfolio of two greenfield projects & an acquisition of an operating ethanol plant	Sole Bookrunner, Lead Arranger and Administrative Agent
US / June 2006	White Energy, LLC	USD 173,500,000	Portfolio of a greenfield project & acquisition of an operating ethanol plant	Sole Bookrunner, Lead Arranger and Administrative Agent
US / May 2006	Cascade Grains	USD 120,000,000	A Destination Ethanol Plant	Lead Arranger Sole Bookrunner Administrative Agent
US / April 2006	LS Power Equity Partners	USD 1,240,000,000	Acquisition of Duke Energy North America Generation Portfolio	M&A and Financial Advisor Arranger & Bookrunner
US / February 2006	ASAlliances Biofuels	USD 275,000,000	Three Ethanol Project Portfolio	Lead Arranger Sole Bookrunner Administrative Agent

WestLB and successfully syndicated $2 billion to date and has been mandated on over $2 billion of ethanol financings

Abengoa Bioenergy Maple Case Study

ABENGOA

Project Overview

- Abengoa Bioenergy Maple LLC ("ABM") is a portfolio of two fuel grade ethanol plants located in Colwich, Kansas and Evansville, Indiana with a total nameplate capacity of 176 million gallons per year
- Either of these plants may be substituted by a plant located in Madison, Illinois subject to due diligence and lender approval
- Design and construction of the plants have been contracted to Abener Energia S.A. ("Abener"), a wholly owned subsidiary of Abengoa S.A., under a fixed-priced EPC contract
- Abengoa Bioenergy Trading U.S., LLC ("ABT"), will handle grain procurement and market the ethanol and distillers grains produced by the projects.
- The project benefits from significant support from the parent company, Abengoa S.A., with guarantees of equity contributions, performance and payment obligations of Abener, and margin calls for grain and CBOT ethanol in excess of $40 million, and margin calls for ethanol, natural gas, denaturant and grain in excess of $25 million.

Transaction Overview

- WestLB acted as Joint Lead Arranger, Joint Book-runner and Administrative Agent in the successful execution of $300 million Senior Secured Credit Facilities
- The senior debt was structured into a $215MM Construction / Term Loan Facility ("C/T Loan"), $20MM Working Capital Facility, $25MM Hedge Facility, and a $40MM Flexible Payment Program Facility
- Total development, construction and financing costs are expected to be approximately $532.5 million, of which 59.6% or $317.5 million will be financed with equity funded on a pro-rata basis.
- Interest on the C/T Loan will be payable on a quarterly basis while principal and cash sweeps will be paid annually following conversion. The C/T Loan will require a 6% annual scheduled amortization and a minimum 60% cash sweep, which may be increased up to 100% to meet predetermined target balances.

Transaction Highlights

- The financing benefited from a favorable EPC contract which includes greater scope than typical and substantial liquidated damages (up to 30% for performance and delay) plus a "put right" of the debt to the contractor under certain circumstances.
- The structure of the transaction attracted numerous investors which resulted in commitments totalling over $550 million in primary syndication.
- As a result of this large oversubscription, WestLB was able to reverse flex from LIBOR plus 325 basis points to LIBOR plus 300 basis points
- Unique to this transaction are the Hedge facility and Flexible Payment Program facility which allow the project ample liquidity to support hedging for ethanol, natural gas, grain and denaturant.

Sources & Uses

SOURCES ('000$)	Amount ($)	%
C/T Loan	$ 215,000	40.4%
Equity	317,522	59.6%
Total Funded Sources	**532,522**	**100.0%**
Working Capital Facility	$ 20,000	
Hedge Facility	25,000	
Flexible Payment Program Facility	40,000	
Total Unfunded Sources	**85,000**	

USES ('000$)	Amount ($)	%
EPC Cost	$ 444,682	83.5%
Other Development Cost	48,000	9.0%
Interest During Construction	16,551	3.1%
Transaction Expenses	10,381	1.9%
Debt Service Reserve Account	8,628	1.6%
Land	4,280	0.8%
Total Funded Uses	**532,522**	**100.0%**
Working Capital	$ 20,000	
Hedging LCs	25,000	
Flexible Payment Program LCs	40,000	
Total Unfunded Uses	**85,000**	

Illinois River Energy Case Study

Project Overview

- Illinois River Energy ("IRE") owns and operates a 50 million gallon per year ("MGPY") ethanol production facility located in Rochelle, Illinois. IRE is seeking to refinance existing indebtedness and to expand its current capacity by an additional 50 MGPY for a total of 100 MGPY (the "Expansion")
- The original IRE plant was built on schedule and on budget by Fagen Inc. utilizing ICM Inc. technology and commercial operations began in December of 2006
- Rochelle is located in the heart of the "corn belt" of the Midwest at the intersection of two mainline rail systems: the Union Pacific and the Burlington Northern Santa Fe.
- The Project's risk management, corn supply and natural gas is provided by Cargill and its ethanol is sold by a Provista Renewable Fuels Marketing, a joint venture between CHS Inc. and US Bioenergy Inc. ("USBE")
- The Project's DDGS are marketed by another subsidiary of USBE, UBE Ingredients. UBE has been effectively marketing the Project's DDGS to the Far East given the premium realized in that market

Transaction Overview

- WestLB acted as Sole Lead Arranger and Bookrunner in the successful execution of $140.0 million Senior Secured Credit Facilities
- The Credit Facilities were comprised of a $130.0 million Construction/Term Loan Facility and a $10.0 million Working Capital Facility
- The Senior Credit Facilities represented 60.2% of the total Borrower's capitalization at closing. During the construction period, excess cash flow from the operating facility will be prioritized (i) to replenish any amounts used under the contingency budget; (ii) to pay down part of the Construction/Term Loan prior to the COD to bring the senior leverage to a maximum of $1.15/gal, (iii) to pay a cash distribution (under normal condition) to GTL (the "Sponsor") and (iv) to share residual cash on 60:40 (equity:debt) basis
- As a result of the pre-conversion waterfall, the Construction/Term Loan is expected to be reduced by $30.2 million, to approximately $91.0 million on the day the Expansion is completed

Transaction Highlights

- The financing benefited from the conservative capital structure and strong cash flow created by the 50 MGPY of capacity already installed
- The financing was executed in the commercial bank market and attracted a broad range of investors consisting of a unique combination of traditional project finance banks, US-based agricultural lenders, regional banks and institutional lenders
- The attractive structure and investment opportunity allowed the transaction to be oversubscribed and favorably priced, with many investors indicating further appetite for future transactions
- As Sole Lead Arranger and Bookrunner, WestLB continues to demonstrate its creative structuring and distribution capabilities for large, complex, structured financings

Sources & Uses

Sources	Amount	Uses	Amount
C/T Loan	$ 130,000,000	Construction Costs	$ 100,684,657
Subordinated Tax Exempt Bonds	30,000,000	Refinancing Debt	38,000,000
Equity	21,100,000	Interest During Construction	18,404,762
		Contingency	10,000,000
		Transaction Expenses	8,244,065
		Debt Service Reserve	5,766,515
Total Funded Sources	**$ 181,100,000**	**Total Funded Uses**	**$ 181,100,000**
Total Unfunded Sources		**Total Unfunded Uses**	
Working Capital Facility	$ 10,000,000	Working Capital Facility	$ 10,000,000

Pacific Ethanol Case Study

Pacific Ethanol, Inc.

Project Overview

- Pacific Ethanol ("PEI") is a portfolio of five fuel grade ethanol plants located in Madera, CA, Boardman, OR, Burley, ID, Brawley, CA, and Stockton, CA with a total capacity of 260 million gallons per year
- Design and construction of the Boardman Plant, the Burley Plant, the Stockton Plant, and the Brawley Plant have been contracted to Pacific Ethanol California, Inc. ("PECA"), a wholly owned subsidiary of PEI, under an owner-construct model
- The design, engineering and procurement of equipment for the Plants will be performed by Delta-T Corporation under existing Engineering, Procurement and Technology License agreements
- PEI subsidiaries, Pacific Ag Products and Kinergy Marketing, will help to procure and handle grain and distribute the ethanol and distillers grains produced by the projects

Transaction Overview

- WestLB acted as Lead Arranger, Sole Book-runner and Administrative Agent in the successful execution of $325 million Senior Secured Credit Facilities
- The senior debt was structured into a $25MM Working Capital Facility, $200MM Tranche A, and a $100MM Tranche B:
    - The term loans benefits from a minimum 50% cash flow sweep applied in the first two years after conversion and a minimum 75% sweep thereafter to Tranche A until fully repaid, then to Tranche B
    - Cash sweeps up to 100% were also available based on targeted balances to allow for full repayment in 5.5 years
- Construction risk is partially mitigated by having two operating ethanol plants, while the remaining three plants are under construction with reduced leverage

Transaction Highlights

- Groundbreaking ethanol financing which incorporates an "owner construct" model that does not involve a fully wrapped EPC
- Successfully syndicated in a challenging commodity market environment where corn prices exceed $4/bushel and oil prices dipped to $50/bbl
- Syndicate group of banks include over 16 investors comprised of commercial banks, finance companies, insurance companies and institutional investors

Sources & Uses

($ in millions)

Sources	$	%	$/gal	Uses	$	%
Madera/Boardman Loan	$92.0	16.7%	$0.35	Madera/Boardman Financing	$141.3	25.6%
Greenfield Term Loan	$208.0	37.8%	$0.80	Construction	$292.2	53.0%
Total Term Loans	$300.0	54.5%	$1.15	Contingency	$43.0	7.8%
Working Capital Facility	$25.0	4.5%	$0.10	Transaction Fees	$17.3	3.1%
Total Debt	$325.0	59.0%	$1.25	3-month DSRA	$10.9	2.0%
				Start-up / Inventory costs	$46.1	8.4%
Equity*	$225.9	41.0%	$0.87			
Total Sources	**$550.9**	100.0%	$2.12	**Total Uses**	**$550.9**	**100.0%**

White Energy Case Study

Project Overview

- White Energy ("White") includes a portfolio of one 45 MMGPY operating Ethanol plant in Russell, Kansas and a greenfield 100 MMGPY greenfield construction project in Hereford, Texas
- The Russell plant, acquired by White in June 2006, has been operating successfully for over four years and is producing approximately 50 MMGPY of Ethanol, significantly producing above its nameplate capacity
- The Hereford Plant is located next to an Archer Daniels Midland ("ADM"), grain elevator and includes a 20-year feedstock supply agreement with ADM
- Both plants are Fagen construction with ICM technology providing proven technology and industry leading construction experience
- Experienced management from the Russell plant was retained and will provide training for the Hereford plant
- Both plants sell distiller's grains wet to local feedlots
- Columbus Nova and Ares Management are the equity sponsors

Transaction Overview

- WestLB acted as Lead Arranger, Sole Book-runner and Administrative Agent in the successful execution of $173.5 million in Senior Secured Credit Facilities
- The senior debt was structured as a platform facility to enable future expansion
  - Structured as a $160 MM single tranche 8.75 year construction and term loan with a $13.5MM, 3 year working capital facility
  - Scheduled term loan amortization of 1%
  - The term loan includes cash sweeps up to 100% with a cap at $8MM per quarter based on targeted balances to reduce targeted repayment to 5 years post completion
  - The cash sweep can be increased to a minimum of 75% if the VEETC is not renewed by July 2009

Transaction Highlights

- The portfolio financing benefited from the strong cash flow from the operating plant in Russell, Kansas and a cash trap of up to $20MM of cash flow from the Russell plant that can be used to cover contingencies for the Hereford plant
- The financing was executed in the commercial bank market and attracted a broad range of investors consisting of a unique combination of traditional project finance banks, US-based agricultural lenders, regional banks and institutional lenders
- The attractive structure and investment opportunity allowed both tranches to be oversubscribed and favorably priced, with many investors indicating further appetite for future transactions
- As Lead Arranger and Sale Book-runner, WestLB continues to demonstrate its creative structuring and distribution capabilities for large, complex, structured financings

Cascade Grains Case Study

Project Overview

- Cascade Grains ("Cascade") is a 113 million gallons per year ("mgpy") ethanol project located in Clatskanie, Oregon
- A joint venture between The Industrial Company ("TIC") and JH Kelly will build the project using proven Delta-T technology
- The project is located on the Columbia River with rail, road and barge access to the lucrative west coast ethanol markets
- ConAgra Trade Group ("ConAgra") will supply all the feedstock
- Eco-Energy will market and distribute all of the ethanol
- Land O'Lakes will market and distribute all of the DDGS
- BOC Gases will purchase all of the CO_2
- Equity is being provided by Berggruen Holdings with subordinated debt provided by Stark Investments
- Hart Energy, Informa Economics, Harris Group are the lenders independent consultants

Transaction Overview

- WestLB acted as Lead Arranger, Sole Bookrunner and Administrative Agent in the successful execution of $120 million Senior Secured Credit Facilities
- The senior debt was structured in two tranches: $100MM for the Bank Tranche and $20MM for a State of Oregon Loan
- The Bank Tranche terms were the following:
  - Annual amortization of 6%
  - A minimum 40% cash flow sweep, which could be increased up to 100% based on predetermined target balance to ensure repayment within the 6.5 year tenor
  - The cash sweep could be increased to a minimum of 75% if the VEETC is not renewed by July 2009, which would allow the facility to be repaid by the end of 2010

Transaction Highlights

- The financing was executed in the commercial bank market and attracted a broad range of new investors consisting of a combination of traditional project finance banks, US-based agricultural lenders, regional banks and institutional lenders
- The transaction was the first large-scale "destination" ethanol project financed in the New York Bank Market; the attractive structure and investment opportunity allowed the bank tranche to be oversubscribed, with many investors indicating further appetite for future transactions
- As Lead Arranger and Bookrunner, WestLB continues to demonstrate its structuring and distribution capabilities for large, complex, structured financings

ASAlliances Case Study

Project Overview

- ASAlliances ("ASA") is a portfolio of three 100 million gallons per year ("mgpy") greenfield ethanol projects
- The projects are all being constructed by Fagen, Inc ("Fagen") using proven ICM, Inc ("ICM") technology; Fagen is a very experienced design / build contractor and has built the majority of the US ethanol plants in the last five years
- Cargill, Incorporated ("Cargill") will supply all the feedstock (corn) and natural gas pursuant to twenty-year and ten-year supply agreements, respectively
- The projects are located in Nebraska, Ohio and Indiana, which are all adjacent to Cargill grain sites
- Cargill will also market and distribute all of the ethanol and distillers grains ("DDGS") produced by all of the projects under a ten-year marketing agreement
- American Capital, Laminar Direct, Fagen and Cargill all supplied the equity and subordinated debt for the portfolio

Transaction Overview

- WestLB acted as Lead Arranger, Sole Book-runner and Administrative Agent in the successful execution of $275 million Senior Secured Credit Facilities
- The senior debt was structured in two tranches: $175MM for Tranche A and $100MM for Tranche B
  - Each Tranche received annual amortization of 6%
  - The senior debt also benefited from a minimum 40% cash flow sweep applied to Tranche A until fully repaid, then to Tranche B
  - Cash sweeps up to 100% were also available based on targeted balances to allow for full repayment in 6.5 years
  - The cash sweep could be increased to a minimum of 75% if the VEETC is not renewed by July 2009, which would allow the facility to be repaid by the end of 2010 (the current expiration date of the VEETC)

Transaction Highlights

- The portfolio financing was executed in the commercial bank market and attracted a broad range of new investors consisting of a unique combination of traditional project finance banks, US-based agricultural lenders, regional banks and institutional lenders
- Although the transaction was the largest ethanol financing ever executed, the attractive structure and investment opportunity allowed both tranches to be oversubscribed, with many investors indicating further appetite for future transactions
- Tranche B investors were attracted by a higher yield in exchange for a longer repayment period due to the timing of the cash sweeps
- As Lead Arranger and Book-runner, WestLB continues to demonstrate its structuring and distribution capabilities for large, complex, structured financings

AES Buffalo Gap Wind Farm II Case Study

Project Overview

- AES Buffalo Gap Wind Farm 2, LLC ("The Project") is an indirect wholly owned subsidiary of AES, LLC.
- The Project is a 232.5 MW wind power facility located in Taylor and Nolan Counties, Texas adjacent to the Buffalo Gap I.
- The Project's total cost will be approximately $407,677,000, including construction and other costs.
- The Project will employ 155 General Electric 1.5 MW sle Wind Turbine Generators.
- The Project benefits from 10-year Power Purchase Agreement with Direct Energy, LP, a subsidiary of Centrica, plc. Centrica, plc (A3/A) provides a guaranty of Direct Energy's obligations under the PPA.
- The Project is planned to be in commercial operation by July, 2007.

Transaction Overview

- WestLB served as Joint Lead Arranger, Joint Bookrunner and Co-Syndication Agent along with HVB and Dexia.
- The financing consists of a one-year single tranche $320 million Construction Loan Facility priced at L + 125 bps.
- The debt facility is secured by a standard security package for non-recourse project finance, which also includes a pledge of 100% of the membership interest in Buffalo Gap Holdings 2, LLC.
- The transaction closed on September 14, 2006.

Sources and Uses of Funds

Sources of Funds ($ in thousands)		Uses of Funds ($ in thousands)	
AES Equity	**28,073**	**Wind Turbine Generators**	**240,790**
Senior Secured Construction Loan Facility	**320,000**	**WTG Transportation**	**16,275**
		Construction/BOP	**68,785**
		Development Costs	**4,445**
		Interest During Construction	**12,222**
		L/C Fees	**907**
		Financing Fees and Expenses	**4,649**
Total Sources	348,073	Total Uses	348,073

Transaction Highlights

- The Project sponsor and developer AES Corporation (BB-/B1), has extensive experience developing, constructing and operating power projects. AES is a leading global power company which delivers electricity to customers in 26 countries through 127 of its power facilities. Through its AES Wind Generation division, AES has a record of over 20 years successfully developing, constructing and operating wind farms.
- The area surrounding the Project is one of the highest wind resource regions in the country.

Caithness California Wind Case Study

Project Overview

- Caithness California Wind Holdings LLC ("The Project") is a wholly owned subsidiary of Caithness Energy.
- The Project consists of four operating wind farms, totaling 92.3 MW of generating capacity.
- Oak Creek, Victory Garden, and 251 are located near Tehachapi, California and San Gorgonio is located near Palm Springs, California.
- The Project employs NEG Micon 700kW turbines, Vestas V15 and V17 turbines.
- The transaction closed on August 5, 2005.

Transaction Overview

- WestLB served as Joint Lead Arranger, Joint Bookrunner and Administrative Agent.
- Proceeds of the credit facilities were used to refinance existing debt, increase leverage on two facilities, provide for a debt service reserve, and to provide sufficient working capital.
- The financing consists of a $65 million 11-year Term Loan Facility, a $4.75 million 5-year Letter of Credit Facility, and a 11-year $1 million Revolving Credit Facility.
- The credit facilities were priced at Libor +125 basis points, stepping up to Libor +150 basis points.
- The Term Loan Facility is fully amortizing and tailored to provide Lenders with a minimum and average consolidated debt service coverage ratio of 1.40x and 1.57x, respectively.

Sources and Uses of Funds

Sources of Funds ($ in thousands)		Uses of Funds ($ in thousands)	
Term Loan Facility	**65,000**	**Refinance Existing Debt**	**42,084**
Revolving Credit Facility	**1,000**	**Dividend to Sponsor**	**20,446**
Letter of Credit Facility	**4,750**	**Major Maintenance Reserve**	**845**
		Operational Contingencies	**1,000**
		Restricted Cash	**4,750**
		Transaction Costs	**1,625**
Total Sources	70,750	Total Uses	70,750

Transaction Highlights

- The Project's output is fully contracted through power purchase agreements with Southern California Edison (Baa1/BBB+). The power purchase agreements provide a stable stream of cash flows over the life of the credit facilities.
- The wind farms are operated by reliable and experienced operators utilizing proven technology.
- The operating track record demonstrates reliable operations and stable cash flows.
- The credit facilities have been structured as a fully amortizing loan to mitigate any refinancing risk.

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