

February 10, 2012

Senate Utilities Committee

Capitol Office

Room: 224-E Seat: 29 Phone: 785-296-7368

Email: Pat.Apple@senate.ks.gov

RE: Senate Bill 383

INTRODUCTION OF BTI WIND ENERGY AND HARVEST THE WIND NETWORK:

BTI Wind Energy is a full service distributor, developer and maintenance provider in the Distributed and Community Wind Industry and is located in Greensburg Kansas. We are a subsidiary of BTI INC. which owns a family of four John Deere Ag Equipment Dealerships and has provided complete sales and service to the Western Kansas Farming Community for nearly 70 years. Following the 2007 tornado that destroyed 95% of Greensburg, including our dealership, BTI INC took a leadership position in the city's rebuilding process by building the world's first LEED Platinum Industrial Metal Building and launching a new business entity known as BTI Wind Energy. Both of these actions were instrumental in winning the 2009 Kansas Governors Business of the Year Award. In the following years, BTI Wind Energy's leadership created the Harvest the Wind Network, a partnership of primarily John Deere Dealers with locations in 30 states whose mission is to revolutionize the Distributed Wind Industry by offering paramount equipment, sales and service for projects from 5kW to 20MW.

OVERVIEW OF DISTRIBUTED GENERATION:

Distributed generation (DG) refers to electrical power generation that occurs close to where the power is consumed, independently of the type of power-generating technology. Electricity that is primarily used on site by the system owner is often called "inside the fence" or "behind the meter" generation.

BENEFITS:

DG systems are typically small by comparison to centralized power plants but they carry significant benefits including reduced energy loss during transmission and reduced load on utility transmission and distribution lines. In recent years, distributed generation has also become a viable energy alternative regarding national security concerns. Additionally, a



customer may stabilize or reduce their energy costs and demonstrate leadership as an environmental steward.

NET METERING:

Net metering allows customer generators to provide for their own energy needs while maximizing their production value by "banking" the kWh's produced at times other than when they can be immediately used. This acts as a driver for private investment in renewable energy projects, improves the load factors for utility companies and creates awareness with the customer to conserve energy when possible.

WHAT DOES SB 383 REALLY MEAN?

FOR RENEWABLE PROJECT OWNERS:

Increasing the net metering limit on commercial operations allows thousands of small to midsized companies in the state of Kansas the opportunity to stabilize their input costs for energy. In doing so, these organizations will be able to redirect those funds into new hires, technology, efficiency projects and facilities. It will give forward thinking; environmentally conscious companies the opportunity to act on their core beliefs to the direct benefit of their employees and their communities. It will influence companies, who are making the decision where to locate or relocate, to view Kansas as an incredible opportunity to optimize their operations.

See Exhibit A: Sample 850kW Project

Discuss Sample Project

See Exhibit B: Sample 850kW Project #2

Discuss Sample Project

FOR BTI WIND ENERGY OUR PARTNER ORGANIZATIONS AND OTHER INDUSTRY PROVIDERS

Passage of SB 383 in our estimation quadruples our potential market base. This is immediate cause for us to hire new staff in the areas of sales, administration, technical support, customer support, engineering, and executive management. It allows our organization to create more taxable revenue, higher profits and long term stability. By passing SB 383; it will create more opportunity for us to add population to the rural communities and school systems where we maintain operations.

-Industry Partners: See Exhibit C



FOR THE STATE OF KANSAS

Adoption of this legislation will send the signal to Kansans and America that the leadership of our state is ready to seize the opportunities that renewable energy and Distributed Generation can provide for our citizens. It will create jobs, encourage private investment, raise taxable revenues and begin to create stability for the Kansas economy at a time when we need it. Moving forward with SB 383 demonstrates that the Kansas legislature is courageous enough to embrace renewable energy as part of a comprehensive energy strategy that refuses to succumb to partisan politics.

Thankyou for your leadership on this issue,

Brad Estes

Director of Wind Operations BTI Wind Energy/HTWN

620-723-3571



EXHIBIT A

CLIENT AND PROJECT SITE INFORMATION

Client and/or Project Name(s)
Project Site Street Address
Project Site City, State, Zip

Sample 850kW Project

| WIND ENERGY PRODUCTION FACTORS | | | | |
|----------------------------------|--------|---------------------------------|-----------|--|
| Turbine Manufacturer | Gamesa | Turbine Name Plate Capacity (kW | 850.0 | |
| Turbine Model | G52 | Hub height (ft) | 243 | |
| Hub Height (m) | 74 | Weibull "K" (wind distribution) | 2.35 | |
| Average Wind Speed at Height 1 (| 8.1 | Height 1 (m) | 60 | |
| Average Wind Speed at Height 2 (| 8.55 | Height 2 (m) | 80 | |
| Displacement height (ft) | 0 | Elevation of Site (ASL in m) | 905.8 | |
| Wind Shear (Alpha) | 0.19 | Turbulance Factor | 5.00% | |
| Hub Height Average Wind Speed | 8.425 | Gross Annual Energy (kWh) | 2,899,075 | |
| Hub Height Average Wind Speed | 18.85 | Gross Capacity Factor | 38.93% | |

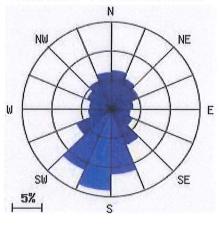
DATA ORIGINATION AND ACCURACY

The wind data utilized by Harvest the Wind Network are delivered on a paid subscription basis by from AWS Truepower's WindNavigator®MesoMap® system. AWS Truepower maintains that the mean bias of these high-resolution maps is virtually zero, while the standard error (after accounting for uncertainty in the data) is 0.35 meters-per-

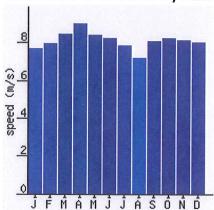
| SITE LOSSES | |
|-----------------------------|-------|
| Electrical System Losses | 3.00% |
| Turbine Availability Losses | 3.00% |
| Wake Losses | 0.00% |
| Total Production Losses | 6.00% |

| Total Net Production (kWh) | 2,725,130 |
|----------------------------|-----------|
| Net Capacity Factor | 36.60% |

Wind Rose - Annual Direction



Annual Wind Variation by Month



CLIENT AND PROJECT SITE INFORMATION Customer Name(s) Sample 850kW Project Project Address (#s and street) 0 Project Address (City, State, Zip) 0

| System Description and Energy | Production |
|--------------------------------------|------------|
| Turbine Manufacturer and Model | G52 |
| Tower Type and Hub Height | 212 |
| Number of Units | 1 |
| Annual Energy Production / Unit (kWI | 2,725,130 |
| Annual Project Energy Production (kV | 2,725,130 |

| Energy Usage and Rates | | | |
|---|-----------|--|--|
| Total Annual Energy Consumption | 3,437,389 | | |
| Electrical Utility or Offtake Provider | | | |
| Cost of Energy Offset or Purchased* (\$ | \$0.0640 | | |
| Annual Energy Cost Escalation | 3.0% | | |
| % of Consumption Offset With Wind Er | 79% | | |

| Incentives and Tax Assumptions | | | | |
|--|------------------|--|--|--|
| Client / Entity Type | Commercial | | | |
| Grants Available | | | | |
| Total Amount of Grant(s) | \$215,320 | | | |
| Grant Taxable? | Yes | | | |
| Blended State and Federal Tax Rate | 40.00% | | | |
| 30% ITC or Treasury Cash Grant Ava | Yes | | | |
| Amount of ITC or Treasury Cash Gra | \$735,000 | | | |
| Annual Tax Credit Amount | \$0 | | | |
| Last Year of Annual Tax Credit | 10 | | | |
| Tax Credit Escalation | 1.00% | | | |
| Production Incentive (\$/kWh) | \$0.000 | | | |
| Escalation rate of production incentiv | 0% | | | |
| Begin year for production incentive | 0 | | | |
| End year for production incentive | 0 | | | |
| Depreciation schedule | 5yr) with 50% Bo | | | |

| Project Capital and Operating Costs | | | |
|--|-------------|--|--|
| Project Cost** | \$2,450,000 | | |
| Project Cost Less Year 1 Grants or Inc | \$1,499,680 | | |
| Annual Operating Costs | | | |
| Operations and Maintenance | \$45,000 | | |
| Years of O&M Costs Covered In TP | 2 | | |
| Insurance | \$10,000 | | |
| Recurring Management | \$3,500 | | |
| Annual Increase in Operating Costs | 2.50% | | |

| Financing | |
|----------------------------|-------|
| Amount of project financed | \$0 |
| Loan Period | 6 |
| Loan Interest rate | 0.00% |

| General Notes | | | | |
|---------------|----------------|--|--|--|
| General Notes | 有在是在这个人 | | | |
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| Summary Project Metrics | | | | |
|---|-------------|--|--|--|
| Project Life (for statistics only)**** 20 | | | | |
| First Year Energy Savings | \$174,408 | | | |
| 20-Year Energy Savings | \$4,686,417 | | | |
| Cumulative Net Savings at 20 Years | \$2,530,372 | | | |
| IRR at 20 Years | 13.64% | | | |
| Annual Carbon Offset (lbs) | 4,087,696 | | | |
| Payback Period (years) | 1 | | | |

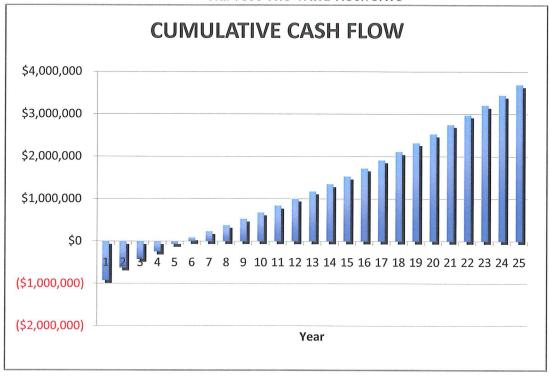
*Wind will not offset all charges billed on a utility bill. This amount represents the \$/kWh that is assumed to be offset based using wind power. This is generally determined by a review of utility bills by a qualified professional or by review of a utility tariff.

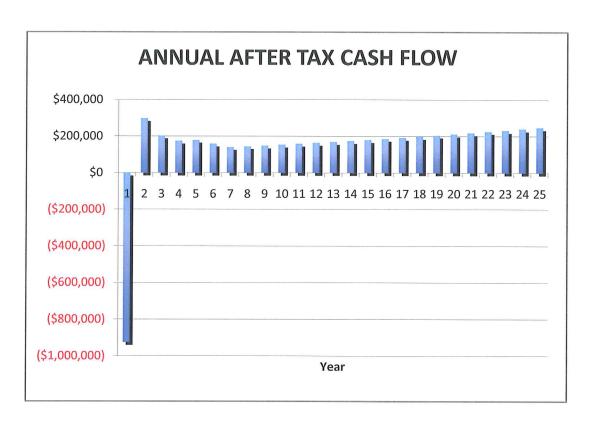
**Project Cost includes Equipment, development, several years of maintenance, and construction costing. Construction costs will vary from site to site thus this cost is estimated and may change based on site conditions

***The Total Project Cost (TPC) generally includes an equipment warranty and service agreement that covers all or a majority of O&M costs for the initial years of a project, thus this model assumes no O&M costs for the years specified.

****The actual life of a project may be longer than the "Project Life". The "Project Life" of any wind project is generally assumed to be 20-30 years for the purposes of financial planning. The lifetime of any wind project is generally driven by wind conditions at the site, adherence to maintenance routines, and the quality and This stuitability of the sipper first being a seat. The Wind Network.

Presentation of this tool by any other party is strictly prohibited.





*Note: This pro forma is not meant to and is not a replacement for tax advice by an accountant pertaining **Depreciable basis** \$2,082,500

| Year | 0 | 1 | 2 | 3 |
|--|---------------|-------------------------|---------------|---------------|
| Energy Production and Rate Offset | | | | - |
| Energy Production (kWh) | | 2,725,130 | 2,725,130 | 2,725,130 |
| Cost of Energy Being Offset | | \$0.064 | \$0.066 | \$0.068 |
| Operating Savings & Revenues | | | | |
| Annual Energy Savings | | \$174,408 | \$179,641 | \$185,030 |
| Grant(s) Amount | | \$215,320 | + | 4.00,000 |
| Production Incentive | | \$0 | \$0 | \$0 |
| TOTAL SAVINGS & REVENUES | \$0 | \$389,728 | \$179,641 | \$185,030 |
| 0 | | | | |
| Operating Expenses | (\$2.4E0.000) | | | |
| Equity Investment (Project Cost Less D | (\$2,450,000) | \$0.00 | \$0.00 | #0.00 |
| Loan Principal Debt Servicing | | \$0.00 | \$0.00 | \$0.00 |
| Operations & Maintenance (O&M) | | \$0.00 | \$0.00 | \$0.00 |
| Insurance | | \$0.00 (\$10,000.00) | \$0.00 | (\$47,278.13) |
| insurance | | , | (\$10,250.00) | (\$10,506.25) |
| TOTAL EXPENSES | /\$2.4E0.000\ | (\$3,500.00) | (\$3,587.50) | (\$3,677.19) |
| TOTAL EXPENSES | (\$2,450,000) | (\$13,500) | (\$13,838) | (\$61,462) |
| Taxes and Tax Savings | | | | |
| Tax savings from Debt Servicing | | \$0.00 | \$0.00 | \$0.00 |
| Depreciation Tax Savings | | \$499,800 | \$133,280 | \$79,968 |
| Tax on Grant(s) - if taxable | | (\$86,128) | | |
| Annual Tax Credit | | \$0.00 | \$0.00 | \$0.00 |
| Investment Tax Credit | | \$735,000 | | |
| NET TAX OR SAVINGS | \$0 | \$1,148,672 | \$133,280 | \$79,968 |
| ANNUAL AFTER TAX CASH FLOW | (\$2,450,000) | \$1,524,900 | \$299,083 | \$203,536 |
| CUMULATIVE CASH FLOW | (\$2,450,000) | (\$925,100) | (\$626,017) | (\$422,480) |
| | | | | |
| Dunning IDD | | 200/ | 220/ | 420/ |
| Running IRR | | -38% | -22% | -13% |
| Cost of Wind Energy (\$/kWh) | | \$0.031 | \$0.031 | \$0.031 |
| Cost of Grid Energy (\$/kWh) | | \$0.064 | \$0.066 | \$0.068 |
| 20 Year IRR | 13.64% | | | |
| 20 year ROI - traditional | 103.28% | | | |
| 20 year Carbon Offset (lbs) | 81,753,911 | | | |
| % electricity offset | 79.28% | | | |
| Total savings from depreciation | \$833,000 | | | |
| O&M Rate (% of revenues) | 5.16% | | | |
| Cost Efficiency (\$/Annual kWh) | \$0.90 | | | |
| | | | | |
| Project Life (for wind \$/kWh calc) | 20 | | | |

| 10 |
|------------------|
| 2 725 120 |
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| \$0.032 |
| \$0.032 |
| |

| 11 | 12 | 13 | 14 | 15 | 16 | 17 |
|----------------------|----------------------|----------------------|----------------------|----------------------|-------------------------|----------------------|
| 2,725,130 \$0.086 | 2,725,130 \$0.089 | 2,725,130 \$0.091 | 2,725,130 \$0.094 | 2,725,130 \$0.097 | 2,725,130 \$0.100 | 2,725,130 \$0.103 |
| \$234,390 | \$241,422 | \$248,665 | \$256,125 | \$263,808 | \$271,723 | \$279,874 |
| \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| \$234,390 | \$241,422 | \$248,665 | \$256,125 | \$263,808 | \$271,723 | \$279,874 |
| | | | | | | |
| \$0.00 | \$0.00 | \$0.00 | \$0.00 | \$0.00 | \$0.00 | \$0.00 |
| \$0.00 | \$0.00 | \$0.00 | \$0.00 | \$0.00 | \$0.00 | \$0.00 |
| (\$57,603.80) | (\$59,043.90) | (\$60,520.00) | (\$62,033.00) | (\$63,583.82) | (\$65,173.42) | (\$66,802.75) |
| (\$12,800.85) | (\$13,120.87) | (\$13,448.89) | (\$13,785.11) | (\$14,129.74) | (\$14,482.98) | (\$14,845.06) |
| (\$4,480.30) | (\$4,592.30) | (\$4,707.11) | (\$4,824.79) | (\$4,945.41) | (\$5,069.04) | (\$5,195.77) |
| (\$74,885) | (\$76,757) | (\$78,676) | (\$80,643) | (\$82,659) | (\$84,725) | (\$86,844) |
| | | | | | | |
| \$0.00 | \$0.00 | \$0.00 | \$0.00 | \$0.00 | \$0.00 | \$0.00 |
| \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| 40 | 40 | Ψ.0 | ΨΟ | Ψο | ΨΘ | ΨΟ |
| \$0.00 | \$0.00 | \$0.00 | \$0.00 | \$0.00 | \$0.00 | \$0.00 |
| | | | | 3 - 3000 an 196 | 3. 1. 30000 (1007 1508) | |
| \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| \$159,505 | \$164,665 | \$169,989 | \$175,482 | \$181,149 | \$186,997 | \$193,031 |
| \$841,821 | \$1,006,486 | \$1,176,474 | \$1,351,956 | \$1,533,105 | \$1,720,102 | \$1,913,133 |
| | | | | | | |
| 10% | 10% | 11% | 12% | 12% | 13% | 13% |
| \$0.032 | \$0.032 | \$0.032 | \$0.033 | \$0.033 | \$0.033 | \$0.033 |
| \$0.086 | \$0.089 | \$0.091 | \$0.094 | \$0.097 | \$0.100 | \$0.103 |
| | | | | | | |

| 18 | 19 | 20 | 21 | 22 | 23 | 24 |
|----------------------|------------------|---------------|---------------|---------------|---|--|
| 2 725 120 | 2 725 120 | 2 725 120 | 2 725 120 | 2 725 420 | 2 725 420 | 0.705.400 |
| 2,725,130 \$0.106 | 2,725,130 | 2,725,130 | 2,725,130 | 2,725,130 | 2,725,130 | 2,725,130 |
| \$0.106 | \$0.109 | \$0.112 | \$0.116 | \$0.119 | \$0.123 | \$0.126 |
| \$288,270 | \$296,919 | \$305,826 | \$315,001 | \$324,451 | \$334,184 | \$344,210 |
| \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| \$288,270 | \$296,919 | \$305,826 | \$315,001 | \$324,451 | \$334,184 | \$344,210 |
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| 00.00 | ድር ዕር | \$0.00 | #0.00 | #0.00 | 00.00 | \$0.00 |
| \$0.00 \$0.00 | \$0.00 \$0.00 | \$0.00 | \$0.00 | \$0.00 | \$0.00 | \$0.00 |
| | | \$0.00 | \$0.00 | \$0.00 | \$0.00 | \$0.00 |
| (\$68,472.82) | , | (\$71,939.26) | (\$73,737.74) | (\$75,581.18) | (\$77,470.71) | And the second s |
| (\$15,216.18) | | (\$15,986.50) | (\$16,386.16) | | (\$17,215.71) | |
| (\$5,325.66) | (\$5,458.81) | (\$5,595.28) | (\$5,735.16) | (\$5,878.54) | (\$6,025.50) | (\$6,176.14) |
| (\$89,015) | (\$91,240) | (\$93,521) | (\$95,859) | (\$98,256) | (\$100,712) | (\$103,230) |
| | | | | | | |
| \$0.00 | \$0.00 | \$0.00 | \$0.00 | \$0.00 | \$0.00 | \$0.00 |
| \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| | | | | | | 4.5 |
| \$0.00 | \$0.00 | \$0.00 | \$0.00 | \$0.00 | \$0.00 | \$0.00 |
| | | | | | * See 100 100 100 100 100 100 100 100 100 1 | |
| \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| \$199,256 | \$205,678 | \$212,305 | \$219,142 | \$226,195 | \$233,472 | \$240,980 |
| \$2,112,388 | \$2,318,067 | \$2,530,372 | \$2,749,514 | \$2,975,709 | \$3,209,182 | \$3,450,162 |
| | | | | | | |
| 13% | 13% | 14% | 14% | 14% | 14% | 14% |
| \$0.033 | \$0.033 | \$0.033 | \$0.034 | \$0.034 | \$0.034 | \$0.034 |
| \$0.106 | \$0.109 | \$0.112 | \$0.116 | \$0.119 | \$0.123 | \$0.126 |
| 1 | 7-1.30 | 7 - 1 - 1 - | 40.110 | Ψ0.110 | Ψ0.120 | ψ0.120 |

| 25 | 26 | 27 | 28 | 29 | 30 |
|---------------|---------------|---------------|---------------|-------------------|---------------|
| 0.705.400 | 0.705.400 | 0.705.400 | 0.705.400 | | |
| 2,725,130 | 2,725,130 | 2,725,130 | 2,725,130 | 2,725,130 | 2,725,130 |
| \$0.130 | \$0.134 | \$0.138 | \$0.142 | \$0.146 | \$0.151 |
| \$354,536 | \$365,172 | \$376,128 | \$387,411 | \$399,034 | \$411,005 |
| \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| \$354,536 | \$365,172 | \$376,128 | \$387,411 | \$399,034 | \$411,005 |
| | | | | | |
| \$0.00 | \$0.00 | \$0.00 | \$0.00 | \$0.00 | \$0.00 |
| \$0.00 | \$0.00 | \$0.00 | \$0.00 | \$0.00 | \$0.00 |
| (\$81,392.67) | (\$83,427.48) | (\$85,513.17) | (\$87,651.00) | (\$89,842.28) | (\$92,088.33) |
| (\$18,087.26) | (\$18,539.44) | (\$19,002.93) | | (\$19,964.95) | (\$20,464.07) |
| (\$6,330.54) | (\$6,488.80) | (\$6,651.02) | (\$6,817.30) | (\$6,987.73) | (\$7,162.43) |
| (\$105,810) | (\$108,456) | (\$111,167) | (\$113,946) | (\$116,795) | (\$119,715) |
| | | | | | |
| \$0.00 | \$0.00 | \$0.00 | \$0.00 | \$0.00 | \$0.00 |
| \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| | | | | 10 € 3000. | |
| \$0.00 | \$0.00 | \$0.00 | \$0.00 | \$0.00 | \$0.00 |
| \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| \$248,726 | \$256,717 | \$264,960 | \$273,465 | \$282,239 | \$291,290 |
| \$3,698,888 | \$3,955,604 | \$4,220,565 | \$4,494,030 | \$4,776,268 | \$5,067,558 |
| | | | | | |
| 14% | 14% | 15% | 15% | 15% | 15% |
| \$0.034 | \$0.034 | \$0.034 | \$0.035 | \$0.035 | \$0.035 |
| \$0.130 | \$0.134 | \$0.138 | \$0.142 | \$0.146 | \$0.151 |
| | | 1000 | 10= | +0.110 | 90.101 |



EXHIBIT B

CLIENT AND PROJECT SITE INFORMATION

Client and/or Project Name(s)
Project Site Street Address
Project Site City, State, Zip

Sample 850kW Project #2

| WIND ENERGY PRODUCTION FACTORS | | | | | | |
|----------------------------------|--------|---------------------------------|-----------|--|--|--|
| Turbine Manufacturer | Gamesa | Turbine Name Plate Capacity (kW | 850.0 | | | |
| Turbine Model | G52 | Hub height (ft) | 243 | | | |
| Hub Height (m) | 74 | Weibull "K" (wind distribution) | 2.35 | | | |
| Average Wind Speed at Height 1 (| 8.1 | Height 1 (m) | 60 | | | |
| Average Wind Speed at Height 2 (| 8.55 | Height 2 (m) | 80 | | | |
| Displacement height (ft) | 0 | Elevation of Site (ASL in m) | 905.8 | | | |
| Wind Shear (Alpha) | 0.19 | Turbulance Factor | 5.00% | | | |
| Hub Height Average Wind Speed | 8.425 | Gross Annual Energy (kWh) | 2,899,075 | | | |
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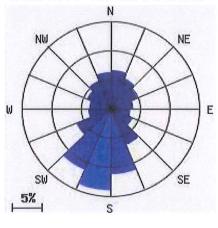
DATA ORIGINATION AND ACCURACY

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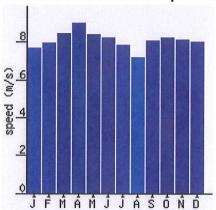
| SITE LOSSES | |
|--------------------------------|-------|
| Electrical System Losses | 3.00% |
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| Wake Losses | 0.00% |
| Total Production Losses | 6.00% |

| Total Net Production (kWh) | 2,725,130 |
|----------------------------|-----------|
| Net Capacity Factor | 36.60% |

Wind Rose - Annual Direction



Annual Wind Variation by Month



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| System Description and Energy | Production |
|---|------------|
| System Description and Energy Turbine Manufacturer and Model | G52 |
| Tower Type and Hub Height | 212 |
| Number of Units | 1 |
| Annual Energy Production / Unit (kWI | 2,725,130 |
| Annual Project Energy Production (kV | 2,725,130 |

| Energy Usage and Rates | | |
|---|-----------|--|
| Total Annual Energy Consumption Electrical Utility or Offtake Provider Cost of Energy Offset or Purchased* (\$ Annual Energy Cost Escalation | 3,437,389 | |
| Electrical Utility or Offtake Provider | | |
| Cost of Energy Offset or Purchased* (\$ | \$0.1100 | |
| Annual Energy Cost Escalation | 3.0% | |
| % of Consumption Offset With Wind Er | 79% | |

| Incentives and Tax Assumptions | | | |
|---|------------------|--|--|
| Client / Entity Type | Commercial | | |
| Grants Available | | | |
| Total Amount of Grant(s) | \$215,320 | | |
| Grant Taxable? | Yes | | |
| Blended State and Federal Tax Rate | 40.00% | | |
| 30% ITC or Treasury Cash Grant Ava | Yes Yes | | |
| Amount of ITC or Treasury Cash Gra | \$735,000 | | |
| Annual Tax Credit Amount | \$0 | | |
| Last Year of Annual Tax Credit | 10 | | |
| Tax Credit Escalation | 1.00% | | |
| Production Incentive (\$/kWh) | \$0.000 | | |
| Escalation rate of production incentive | 0% | | |
| Begin year for production incentive | 0 | | |
| End year for production incentive | 0 | | |
| Depreciation schedule | 5yr) with 50% Bo | | |

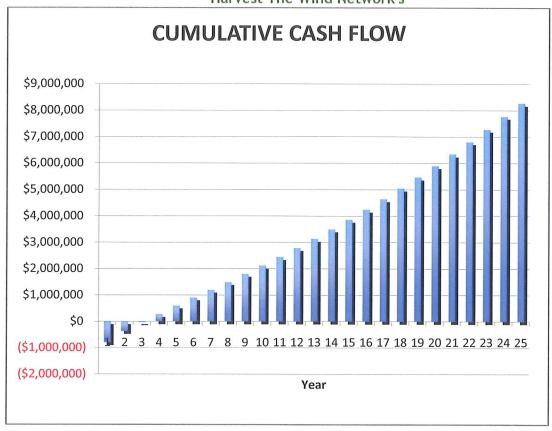
| Project Capital and Operating Costs | | |
|--|-------------|--|
| Project Cost** | \$2,450,000 | |
| Project Cost Less Year 1 Grants or Inc | \$1,499,680 | |
| Annual Operating Costs | | |
| Operations and Maintenance | \$45,000 | |
| Years of O&M Costs Covered In TP | 2 | |
| Insurance | \$10,000 | |
| Recurring Management | \$3,500 | |
| Annual Increase in Operating Costs | 2.50% | |

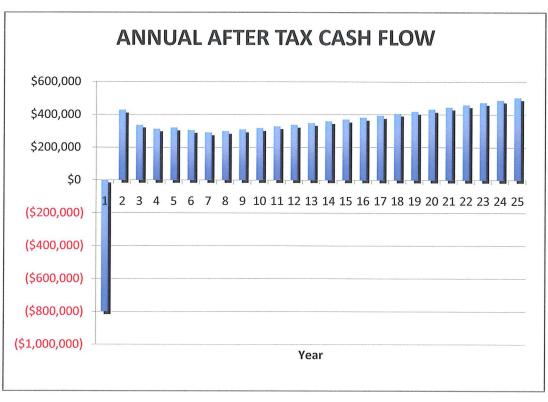
| Financing | |
|----------------------------|-------|
| Amount of project financed | \$0 |
| Loan Period | 6 |
| Loan Interest rate | 0.00% |

| | General Notes | 18 201 |
|---------------|---------------|--------|
| General Notes | | |
| | | |
| | | |
| | | |
| | | |
| | | |
| | | |
| | | |

| Summary Project Metr | ics |
|--|-------------|
| Project Life (for statistics only)**** | 20 |
| First Year Energy Savings | \$299,764 |
| 20-Year Energy Savings | \$8,054,780 |
| Cumulative Net Savings at 20 Years | \$5,898,735 |
| IRR at 20 Years | 24.23% |
| Annual Carbon Offset (lbs) | 4,087,696 |
| Payback Period (years) | 1 |

- *Wind will not offset all charges billed on a utility bill. This amount represents the \$/kWh that is assumed to be offset based using wind power. This is generally determined by a review of utility bills by a qualified professional or by review of a utility tariff.
- **Project Cost includes Equipment, development, several years of maintenance, and construction costing. Construction costs will vary from site to site thus this cost is estimated and may change based on site conditions
- ***The Total Project Cost (TPC) generally includes an equipment warranty and service agreement that covers all or a majority of O&M costs for the initial years of a project, thus this model assumes no O&M costs for the years specified.
- ****The actual life of a project may be longer than the "Project Life". The "Project Life" of any wind project is generally assumed to be 20-30 years for the purposes of financial planning. The lifetime of any wind project is This transfer wind wind by wind by mind project is this transfer wind wind the first of the continue of the quality and presentiability of the table of the purpose of financial planning. The lifetime of any wind project is the continue of the purpose of financial planning. The lifetime of any wind project is generally diversity of the continue of the purpose of financial planning. The lifetime of any wind project is generally diversity of the continue of the purpose of financial planning. The lifetime of any wind project is generally diversity of the continue of the purpose of financial planning. The lifetime of any wind project is generally diversity of the continue of the purpose of financial planning. The lifetime of any wind project is the continue of the purpose of financial planning. The lifetime of any wind project is the continue of the purpose of financial planning. The lifetime of any wind project is the continue of the purpose of financial planning. The lifetime of any wind project is generally diversity of the continue of the purpose of financial planning.





*Note: This pro forma is not meant to and is not a replacement for tax advice by an accountant pertaining **Depreciable basis** \$2,082,500

| Year | 0 | 1 | 2 | 3 |
|---|---|-------------------------|------------------|---------------|
| Energy Production and Rate Offset | | | | |
| Energy Production (kWh) | | 2,725,130 | 2,725,130 | 2,725,130 |
| Cost of Energy Being Offset | | \$0.110 | \$0.113 | \$0.117 |
| On another Carriers & Barrers | | | | |
| Operating Savings & Revenues | | \$200 704 | # 000 757 | 0010.000 |
| Annual Energy Savings | | \$299,764 | \$308,757 | \$318,020 |
| Grant(s) Amount | | \$215,320 | 40 | 0.0 |
| Production Incentive TOTAL SAVINGS & REVENUES | \$0 | \$0 | \$0 | \$0 |
| TOTAL SAVINGS & REVENUES | Φ0 | \$515,084 | \$308,757 | \$318,020 |
| Operating Expenses | | | | |
| Equity Investment (Project Cost Less D | (\$2,450,000) | | | |
| Loan Principal | | \$0.00 | \$0.00 | \$0.00 |
| Debt Servicing | | \$0.00 | \$0.00 | \$0.00 |
| Operations & Maintenance (O&M) | | \$0.00 | \$0.00 | (\$47,278.13) |
| Insurance | | (\$10,000.00) | (\$10,250.00) | (\$10,506.25) |
| | | (\$3,500.00) | (\$3,587.50) | (\$3,677.19) |
| TOTAL EXPENSES | (\$2,450,000) | (\$13,500) | (\$13,838) | (\$61,462) |
| Taxes and Tax Savings | | | | |
| Tax savings from Debt Servicing | | \$0.00 | \$0.00 | 00.00 |
| Depreciation Tax Savings | | | * | \$0.00 |
| Tax on Grant(s) - if taxable | | \$499,800 (\$86,128) | \$133,280 | \$79,968 |
| Annual Tax Credit | | \$0.00 | \$0.00 | \$0.00 |
| Investment Tax Credit | | \$735,000 | φ0.00 | φ0.00 |
| NET TAX OR SAVINGS | \$0 | \$1,148,672 | \$133,280 | \$79,968 |
| | | | | |
| ANNUAL AFTER TAX CASH FLOW | (\$2,450,000) | \$1,650,256 | \$428,200 | \$336,526 |
| CUMULATIVE CASH FLOW | (\$2,450,000) | (\$799,744) | (\$371,544) | (\$35,017) |
| | | | | |
| D : IDD | | 222/ | 100/ | 101 |
| Running IRR | | -33% | -13% | -1% |
| Cost of Wind Energy (\$/kWh) | | \$0.031 | \$0.031 | \$0.031 |
| Cost of Grid Energy (\$/kWh) | | \$0.110 | \$0.113 | \$0.117 |
| 20 Vees IDD | 24.23% | | | |
| 20 Year IRR | | | | |
| 20 year ROI - traditional | | | | |
| · · · · · · · · · · · · · · · · · · · | 240.76% | | | |
| 20 year Carbon Offset (lbs) | 240.76% 81,753,911 | | | |
| 20 year Carbon Offset (lbs) % electricity offset | 240.76% 81,753,911 79.28% | | | |
| 20 year Carbon Offset (lbs) % electricity offset Total savings from depreciation | 240.76% 81,753,911 79.28% \$833,000 | | | |
| 20 year Carbon Offset (lbs) % electricity offset Total savings from depreciation O&M Rate (% of revenues) | 240.76% 81,753,911 79.28% \$833,000 3.03% | | | |
| 20 year Carbon Offset (lbs) % electricity offset Total savings from depreciation | 240.76% 81,753,911 79.28% \$833,000 | | | |

| 4 | 5 | 6 | 7 | 8 | 9 | 10 |
|---|---------------|---|---------------|---------------|---------------|---------------|
| 0.705.400 | 0.705.400 | 0.705.400 | 0.705.400 | 0.705.400 | 0.705.400 | 0.705.400 |
| 2,725,130 | 2,725,130 | 2,725,130 | 2,725,130 | 2,725,130 | 2,725,130 | 2,725,130 |
| \$0.120 | \$0.124 | \$0.128 | \$0.131 | \$0.135 | \$0.139 | \$0.144 |
| | | | | | | |
| \$327,561 | \$337,387 | \$347,509 | \$357,934 | \$368,672 | \$379,732 | \$391,124 |
| , | , | , | | | | , |
| \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| \$327,561 | \$337,387 | \$347,509 | \$357,934 | \$368,672 | \$379,732 | \$391,124 |
| | | | | | | |
| | | | | | | |
| \$0.00 | \$0.00 | \$0.00 | \$0.00 | \$0.00 | \$0.00 | \$0.00 |
| \$0.00 | \$0.00 | \$0.00 | \$0.00 | \$0.00 | \$0.00 | \$0.00 |
| (\$48,460.08) | (\$49,671.58) | (\$50,913.37) | (\$52,186.20) | (\$53,490.86) | (\$54,828.13) | (\$56,198.83) |
| (\$10,768.91) | (\$11,038.13) | (\$11,314.08) | (\$11,596.93) | (\$11,886.86) | (\$12,184.03) | (\$12,488.63) |
| (\$3,769.12) | (\$3,863.35) | (\$3,959.93) | (\$4,058.93) | (\$4,160.40) | (\$4,264.41) | (\$4,371.02) |
| (\$62,998) | (\$64,573) | (\$66,187) | (\$67,842) | (\$69,538) | (\$71,277) | (\$73,058) |
| | | | | | | |
| \$0.00 | \$0.00 | \$0.00 | \$0.00 | \$0.00 | \$0.00 | \$0.00 |
| \$47,981 | \$47,981 | \$23,990 | \$0 | \$0 | \$0 | \$0 |
| ψ17,001 | ψ 11 ,00 T | \$20,000 | ΨG | ΨO | Ψ | ΨΟ |
| \$0.00 | \$0.00 | \$0.00 | \$0.00 | \$0.00 | \$0.00 | \$0.00 |
| | | | | | | |
| \$47,981 | \$47,981 | \$23,990 | \$0 | \$0 | \$0 | \$0 |
| \$312,543 | \$320,795 | \$305,312 | \$290,092 | \$299,134 | \$308,456 | \$318,066 |
| \$277,526 | \$598,321 | \$903,633 | \$1,193,725 | \$1,492,859 | \$1,801,315 | \$2,119,381 |
| Ψ211,020 | Ψ090,321 | ψθυσ,υσσ | Ψ1,195,125 | Ψ1,492,009 | Ψ1,001,313 | Ψ2,119,301 |
| | | | | | | |
| 6% | 12% | 15% | 17% | 19% | 20% | 21% |
| Ladicania and ad ad a second and a second | | | | | | |
| \$0.031 \$0.120 | \$0.032 | \$0.032 | \$0.032 | \$0.032 | \$0.032 | \$0.032 |
| Φυ. 120 | \$0.124 | \$0.128 | \$0.131 | \$0.135 | \$0.139 | \$0.144 |

| 11 | 12 | 13 | 14 | 15 | 16 | 17 |
|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|
| 2,725,130 \$0.148 | 2,725,130 \$0.152 | 2,725,130 \$0.157 | 2,725,130 \$0.162 | 2,725,130 \$0.166 | 2,725,130 \$0.171 | 2,725,130 \$0.177 |
| \$402,858 | \$414,944 | \$427,392 | \$440,214 | \$453,420 | \$467,023 | \$481,034 |
| \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| \$402,858 | \$414,944 | \$427,392 | \$440,214 | \$453,420 | \$467,023 | \$481,034 |
| | | | | | | |
| \$0.00 | \$0.00 | \$0.00 | \$0.00 | \$0.00 | \$0.00 | \$0.00 |
| \$0.00 | \$0.00 | \$0.00 | \$0.00 | \$0.00 | \$0.00 | \$0.00 |
| (\$57,603.80) | (\$59,043.90) | (\$60,520.00) | (\$62,033.00) | (\$63,583.82) | (\$65,173.42) | (\$66,802.75) |
| (\$12,800.85) | (\$13,120.87) | (\$13,448.89) | (\$13,785.11) | (\$14,129.74) | (\$14,482.98) | (\$14,845.06) |
| (\$4,480.30) | (\$4,592.30) | (\$4,707.11) | (\$4,824.79) | (\$4,945.41) | (\$5,069.04) | (\$5,195.77) |
| (\$74,885) | (\$76,757) | (\$78,676) | (\$80,643) | (\$82,659) | (\$84,725) | (\$86,844) |
| | | | | | | |
| \$0.00 | \$0.00 | \$0.00 | \$0.00 | \$0.00 | \$0.00 | \$0.00 |
| \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| | | | | | • | , |
| \$0.00 | \$0.00 | \$0.00 | \$0.00 | \$0.00 | \$0.00 | \$0.00 |
| | | | | | | |
| \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| \$327,973 | \$338,187 | \$348,716 | \$359,571 | \$370,761 | \$382,298 | \$394,190 |
| \$2,447,355 | \$2,785,542 | \$3,134,258 | \$3,493,829 | \$3,864,590 | \$4,246,888 | \$4,641,078 |
| | | | | | | |
| 22% | 22% | 23% | 23% | 23% | 24% | 24% |
| 60 000 | \$0.032 | \$0.032 | \$0.033 | \$0.033 | \$0.033 | \$0.033 |
| \$0.032 | φ0.032 | φ0.032 | ψ0.033 | φ0.033 | φ0.055 | ψ0.000 |

| 18 | 19 | 20 | 21 | 22 | 23 | 24 |
|---------------|---------------|---------------|---------------|--|--|---------------|
| | | | | | | |
| 2,725,130 | 2,725,130 | 2,725,130 | 2,725,130 | 2,725,130 | 2,725,130 | 2,725,130 |
| \$0.182 | \$0.187 | \$0.193 | \$0.199 | \$0.205 | \$0.211 | \$0.217 |
| | | | | | | |
| \$495,465 | \$510,329 | \$525,639 | \$541,408 | \$557,650 | \$574,379 | \$591,611 |
| ψ .σσ, .σσ | 40.0,020 | Ψ020,000 | ψο 11, 100 | φοση,σσσ | φον 4,010 | φοστ,σττ |
| \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| \$495,465 | \$510,329 | \$525,639 | \$541,408 | \$557,650 | \$574,379 | \$591,611 |
| | | | | | | |
| | | | | | | |
| \$0.00 | \$0.00 | \$0.00 | \$0.00 | \$0.00 | \$0.00 | \$0.00 |
| \$0.00 | \$0.00 | \$0.00 | \$0.00 | \$0.00 | \$0.00 | \$0.00 |
| (\$68,472.82) | (\$70,184.64) | (\$71,939.26) | (\$73,737.74) | | (\$77,470.71) | (\$79,407.48) |
| (\$15,216.18) | , | (\$15,986.50) | | and the second s | A STATE OF THE STA | (\$17,646.11) |
| (\$5,325.66) | (\$5,458.81) | (\$5,595.28) | (\$5,735.16) | (\$5,878.54) | (\$6,025.50) | (\$6,176.14) |
| (\$89,015) | (\$91,240) | (\$93,521) | (\$95,859) | (\$98,256) | (\$100,712) | (\$103,230) |
| | , | | | | | () |
| \$0.00 | \$0.00 | \$0.00 | \$0.00 | \$0.00 | \$0.00 | \$0.00 |
| \$0 | \$0 | \$0 | \$0 | \$0 | ψ0.00 \$0 | \$0.00 |
| ΨΟ | ΨΟ | ΨΟ | ΨΟ | ΨΟ | ΨΟ | ΨΟ |
| \$0.00 | \$0.00 | \$0.00 | \$0.00 | \$0.00 | \$0.00 | \$0.00 |
| | | | | | , 0€ ((glo-42) 60± (64e) | |
| \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| \$406,450 | \$419,089 | \$432,118 | \$445,549 | \$459,394 | \$473,668 | \$488,381 |
| \$5,047,528 | \$5,466,617 | \$5,898,735 | \$6,344,283 | \$6,803,678 | \$7,277,345 | \$7,765,726 |
| Ψ0,017,020 | ψο, που, στη | ψ0,030,700 | Ψ0,044,200 | Ψ0,000,070 | Ψ1,211,5 4 5 | Ψ1,103,120 |
| | | | | | | |
| 24% | 24% | 24% | 24% | 24% | 24% | 24% |
| \$0.033 | \$0.033 | \$0.033 | \$0.034 | \$0.034 | \$0.034 | \$0.034 |
| \$0.182 | \$0.187 | \$0.193 | \$0.199 | \$0.205 | \$0.211 | \$0.217 |
| | | | | | 7 | 75.211 |

| 25 | 26 | 27 | 28 | 29 | 30 |
|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|
| 2 725 420 | 2 725 420 | 0.705.400 | 0.705.400 | 0.705.400 | 0.705.400 |
| 2,725,130 \$0.224 | 2,725,130 \$0.230 | 2,725,130 \$0.237 | 2,725,130 \$0.244 | 2,725,130 \$0.252 | 2,725,130 \$0.259 |
| Ψ0.224 | ψ0.230 | φυ.237 | φυ.244 | Φ0.232 | Φ0.238 |
| \$609,359 | \$627,640 | \$646,469 | \$665,863 | \$685,839 | \$706,414 |
| 40 | 40 | 40 | * | | |
| \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| \$609,359 | \$627,640 | \$646,469 | \$665,863 | \$685,839 | \$706,414 |
| | | | | | |
| \$0.00 | \$0.00 | \$0.00 | \$0.00 | \$0.00 | \$0.00 |
| \$0.00 | \$0.00 | \$0.00 | \$0.00 | \$0.00 | \$0.00 |
| (\$81,392.67) | (\$83,427.48) | (\$85,513.17) | (\$87,651.00) | (\$89,842.28) | (\$92,088.33) |
| (\$18,087.26) | (\$18,539.44) | (\$19,002.93) | (\$19,478.00) | (\$19,964.95) | (\$20,464.07) |
| (\$6,330.54) | (\$6,488.80) | (\$6,651.02) | (\$6,817.30) | (\$6,987.73) | (\$7,162.43) |
| (\$105,810) | (\$108,456) | (\$111,167) | (\$113,946) | (\$116,795) | (\$119,715) |
| | | | | | |
| \$0.00 | \$0.00 | \$0.00 | \$0.00 | \$0.00 | \$0.00 |
| \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| \$0.00 | \$0.00 | \$0.00 | \$0.00 | \$0.00 | \$0.00 |
| Ψ0.00 | Ψ0.00 | Ψ0.00 | Ψ0.00 | Ψ0.00 | Ψ0.00 |
| \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| \$503,549 | \$519,184 | \$535,302 | \$551,917 | \$569,044 | \$586,699 |
| \$8,269,275 | \$8,788,459 | \$9,323,761 | \$9,875,678 | \$10,444,722 | \$11,031,422 |
| | | | | | |
| 24% | 25% | 25% | 25% | 25% | 25% |
| \$0.034 | \$0.034 | \$0.034 | \$0.035 | \$0.035 | \$0.035 |
| Ψ0.004 | Ψ0.001 | Ψ0.004 | Ψ0.000 | φυ.υυυ | Ψ0.000 |



EXHIBIT C

Industry Partners: A True Story

Distributed renewable energy projects put money back into local economies. In the past 12 weeks of 2011 we sold, developed and installed 17 small wind projects. The total amount of private investment totaled approximately \$2,860,000.00 with more than \$1,500,000.00 going to Kansas companies for the following services...

- 1. Geotechnical Soil sampling and Report
- 2. Foundation Engineering
- 3. Electricians
- 4. Foundation Contractors
- 5. Erection Contractors
- 6. Excavation Crews
- 7. Concrete Companies
- 8. Commissioning Agents
- 9. Utility Companies

We largely relied on the services of 9 small Kansas businesses that are responsible for the livelihoods of 250 families. The \$1.5 million dollars of private taxable investment that we were able to keep in Kansas was an incredible boost to these contractors who typically see a slow down during the end of the year/ holiday season.

With adoption of SB 383 these numbers will grow exponentially. This piece of legislation leads to many of the benefits that government constantly try's to improve...Private Investment, increased taxable money flow, local economic impact for small business, community pride, and environmental benefits