



## Flat Rock Wind Project

EPA GPP Project Matching Presentation

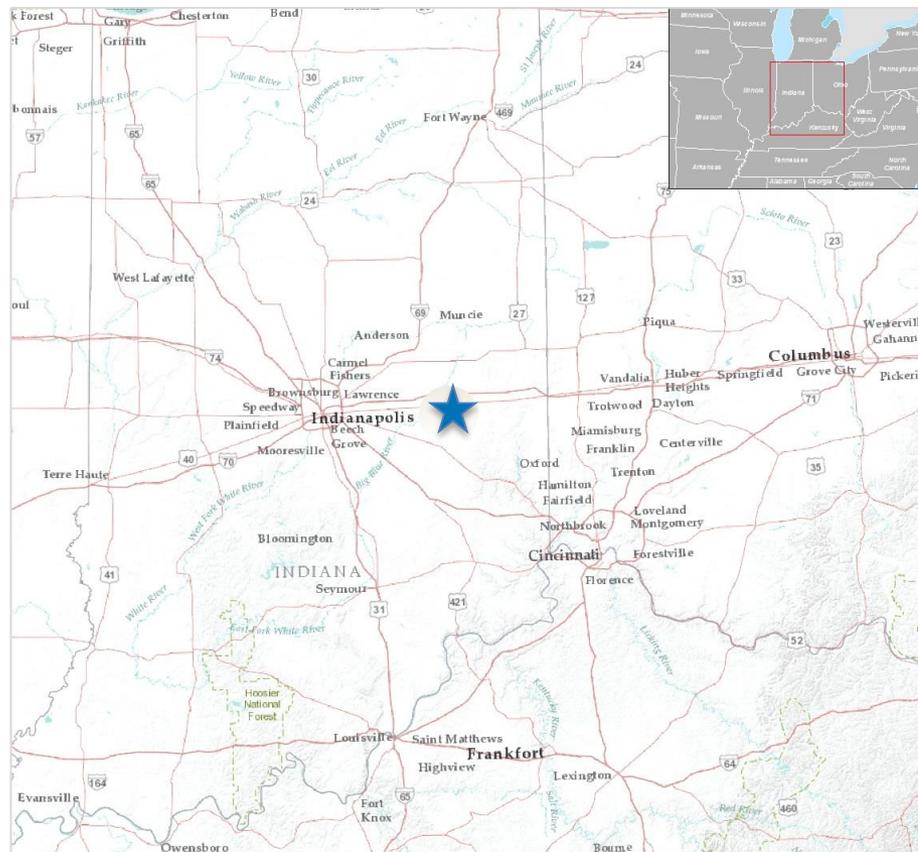
Ellen Gilman, Senior Director of Business Development

June 24, 2015



# Flat Rock Wind Project: Overview

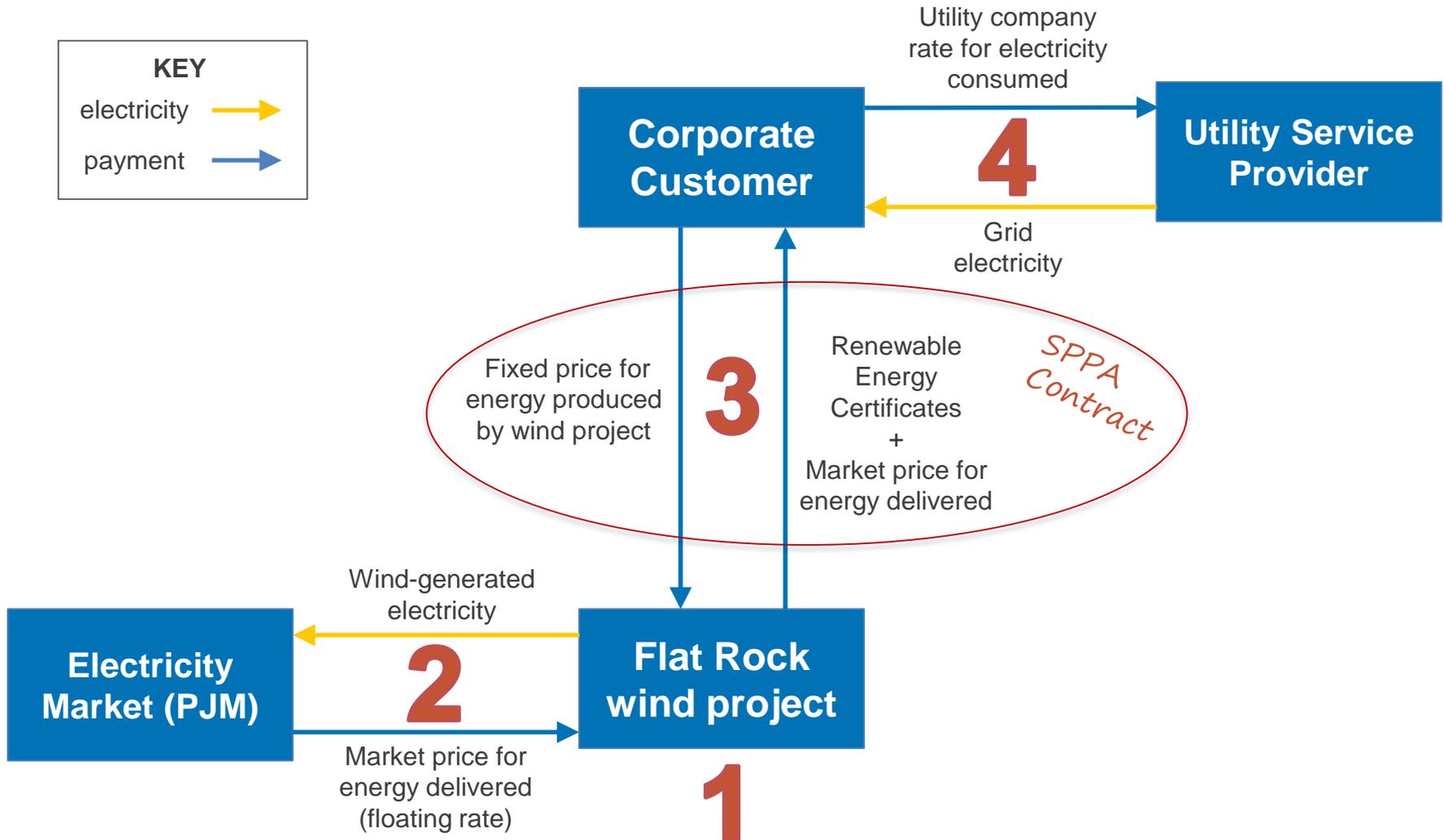
- Henry and Rush Counties, Indiana
  - <1 hour east of Indianapolis
- Selling power into the PJM market
  - The world's largest competitive wholesale electricity market
  - Serves DE, IL, IN, KY, MD, MI, NJ, NC, OH, PA, TN, VA, WV, and DC
- Advanced stage of development
- Ready to be constructed in 2016 and begin operations in Q4 2016
- 180 MW total capacity
- Contracts possible for 5 to 180 MW
  - Approximately 15,000 MWh up to 650,000 MWh per year
- PTC-qualified
- Visit our project website:  
<http://www.flatrockwindpower.com>



# Project Development Status

<b>Permitting / Environmental Assessment</b>	<p><b>Local zoning:</b> Completed Henry County local zoning permit, Rush County permit in process</p> <p><b>FAA:</b> Requests filed March 2015, awaiting determinations</p> <p><b>Cultural resource review:</b> Complete, no issues</p> <p><b>Wildlife studies:</b> Complete, no issues; No wildlife permits required; Studies were developed in coordination with U.S. Fish and Wildlife Service and Indiana Department of Natural Resources; Received Technical Assistance Letter from U.S. Fish and Wildlife Service confirming low-risk status of site for bird/bat impacts</p> <p><b>EIA or EA:</b> Neither required</p>
<b>Electrical Interconnection</b>	<p>Received Generator Interconnection Agreement (“GIA”) with American Electric Power (“AEP”), to be signed August 2015</p> <p>Energization scheduled for September 2016</p>
<b>Land</b>	<p>Site control complete</p> <p>Approximately 29,000 acres of farmland under long-term lease with over 100 landowners</p> <p>Estimate &lt;0.5% of acreage under lease will be disturbed by project installation</p>
<b>Public Support</b>	<p>The project enjoys broad support among its landowners and among Henry and Rush County officials</p>
<b>Wind Resource</b>	<p>Well-established, highly competitive wind resource</p> <p>Wind data has been collected from two on-site met towers since 2010 with additional SODAR equipment installed in 2015</p>
<b>Schedule</b>	<p>Q3 2015    Execute Turbine Supply Agreement with top-tier turbine vendor</p> <p>Q4 2015    Sign Engineering, Procurement, and Construction contract following RFP process with experienced contractors</p> <p>Mar 2016    Issue full Notice to Proceed</p> <p>Oct 2016    Project begins commercial operation</p>

# Option 1: Structured Power Purchase Agreement



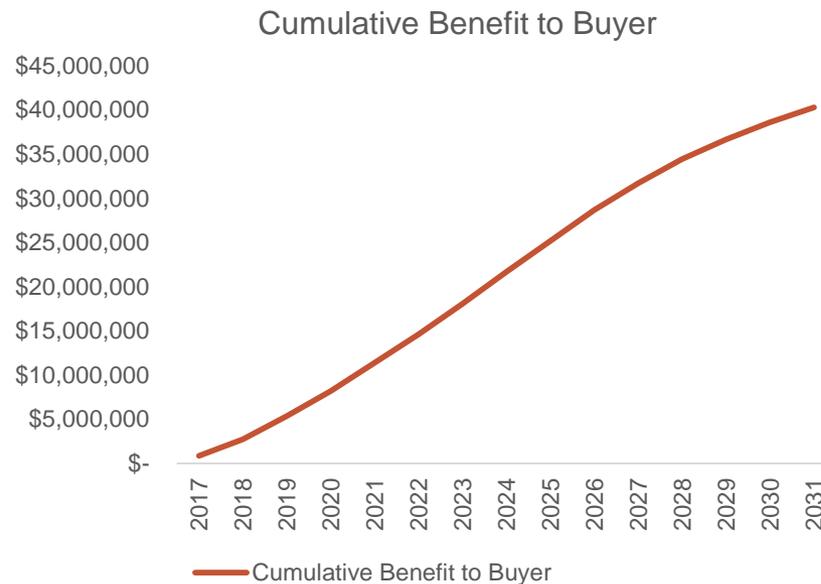
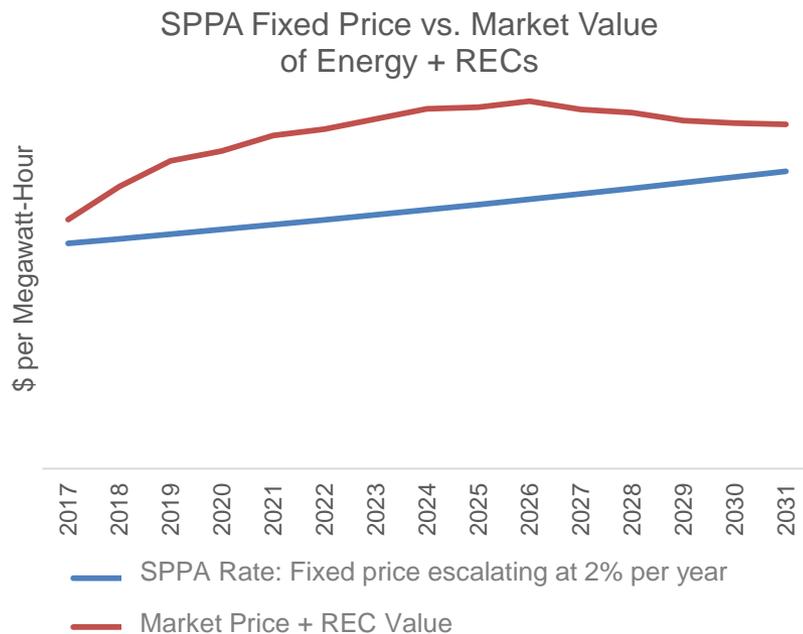
# SPPA Cash Flows

Terms can vary depending on customer preferences:

- Length of agreement can vary from 5 to 20 years
- Capacity of agreement can range from 10 MW up to 180 MW

Indicative scenario:

- 50 MW SPPA for Flat Rock
- Estimated NPV ~\$20 million over 15 years
- Results indicated in graphs below



# Option 2: Project Ownership

For project investors:

- Apex manages all development, procurement, and construction.
- Apex provides all long-term asset management (including power marketing) so that the project is managed by industry experts on behalf of the customer.

There are many opportunities for companies to invest directly in a wind project.

The appropriate approach and scale will depend on the investor's needs and return targets.

## Project Investment Options

	<b>Partial Ownership</b>	<b>100% Ownership</b>	<b>Tax Equity Investment</b>
Minimum Investment	\$20 million	Determined by project	\$20 million
Benefits	Pro rata share of revenues, RECs and tax benefits  Potential levered return in the mid-teens	100% of revenues, RECs, and tax benefits  Potential levered return in the mid-teens	Pro rata share of tax benefits  Unlevered returns approximately 7–9%
Term of Investment	20–25 years	20–25 years	10 years

# Apex Clean Energy

## Demonstrated Project Success

Apex has developed, financed, and managed construction for 1,460 MW of clean energy facilities

Financed \$2.3 billion  
of clean energy  
projects to date

Constructing 5  
projects in 2015  
(1,164 MW)

U.S. development portfolio  
over 10,000 MW—the  
largest in the industry



Managing more  
than 1,000 MW of  
operating projects  
by the end of 2015

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