

Financing Renewable/Alternative Energy

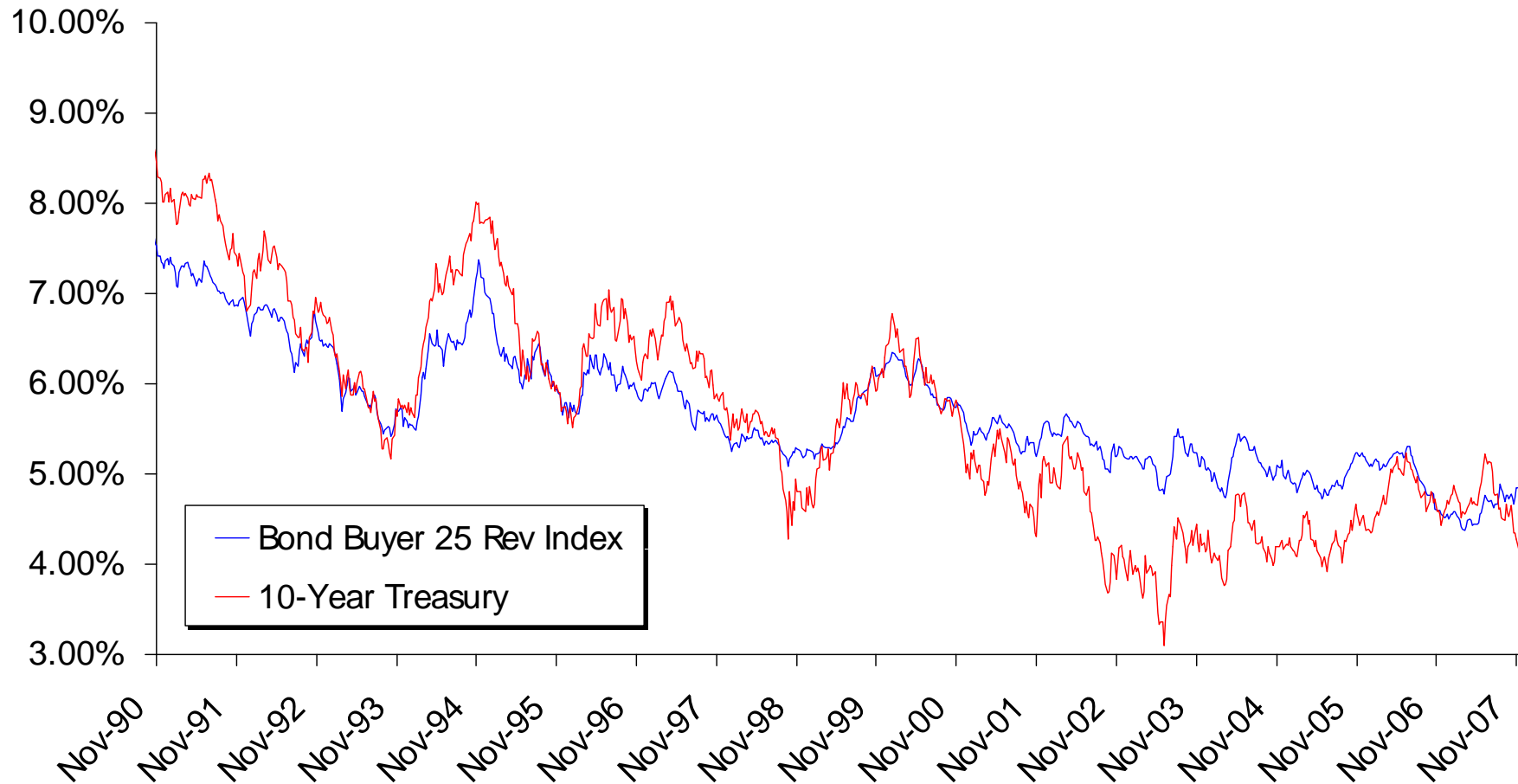
WV and SSEB Energy Summit



December 4, 2007

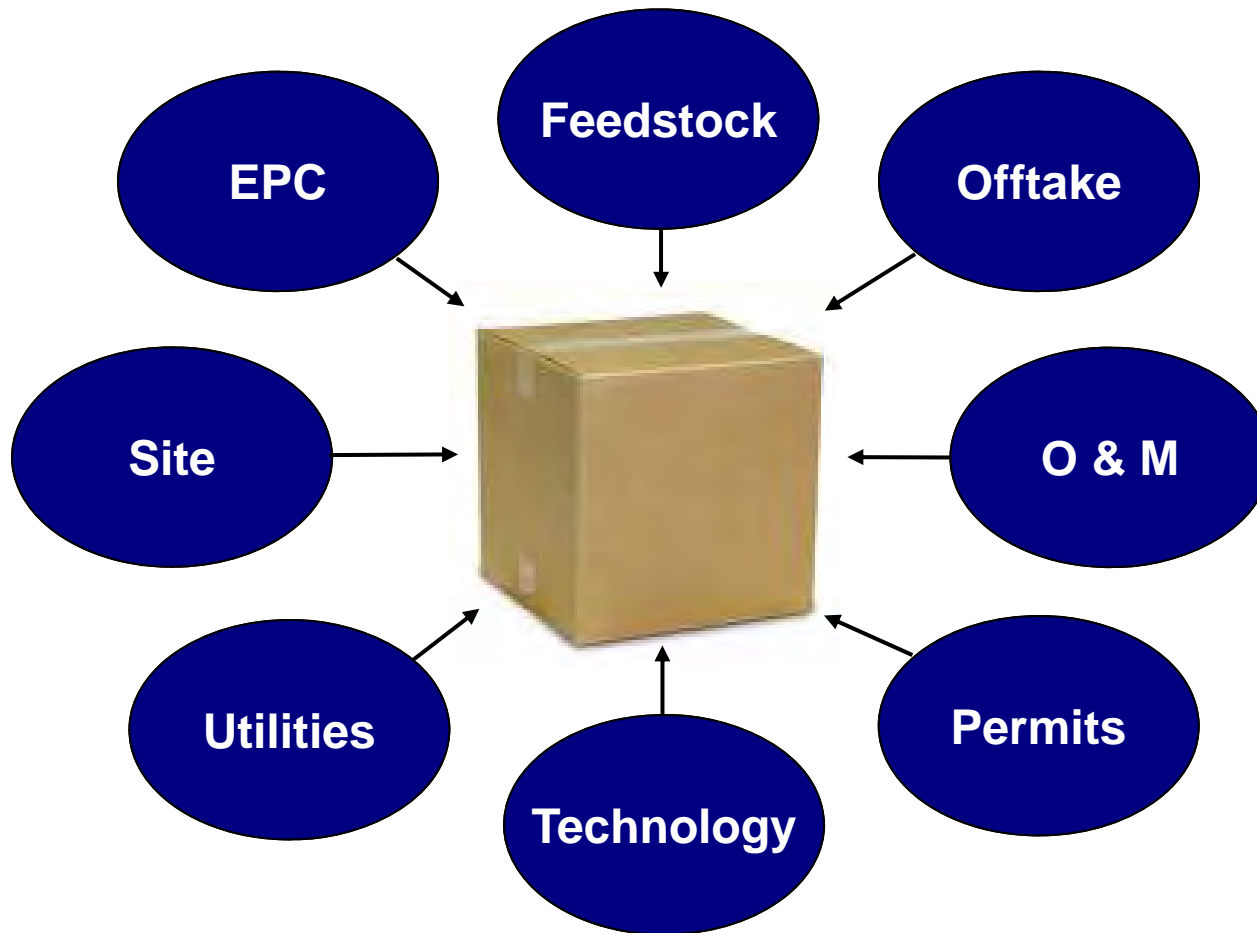
Historical Taxable and Tax-Exempt Interest Rates

Interest rates are presently near all-time historical lows.



Note: The Bond Buyer 25 Revenue Bond Index represents the average yield on 25 selected revenue bonds with 30 year maturities. The index is reset every Thursday and published on Friday.

Project Finance 101



Project Finance

Risk Analysis

Project Terms/ Risk



REGULATORY



CONSTRUCTION



TECHNOLOGY



FINANCING



COMMERCIAL
TERMS



Mitigation

All Permits In Place by Financial Closing

EPC Contract:

- Creditworthy Counterparty
- Liquidated Damage Provisions for Completion & Performance

Performance Guarantees From Licensor and EPC Contractor

All Debt and Equity in Place at Financial Closing

Feedstock Supply and Off-Take Arrangement with Tenor Matching Term of Debt

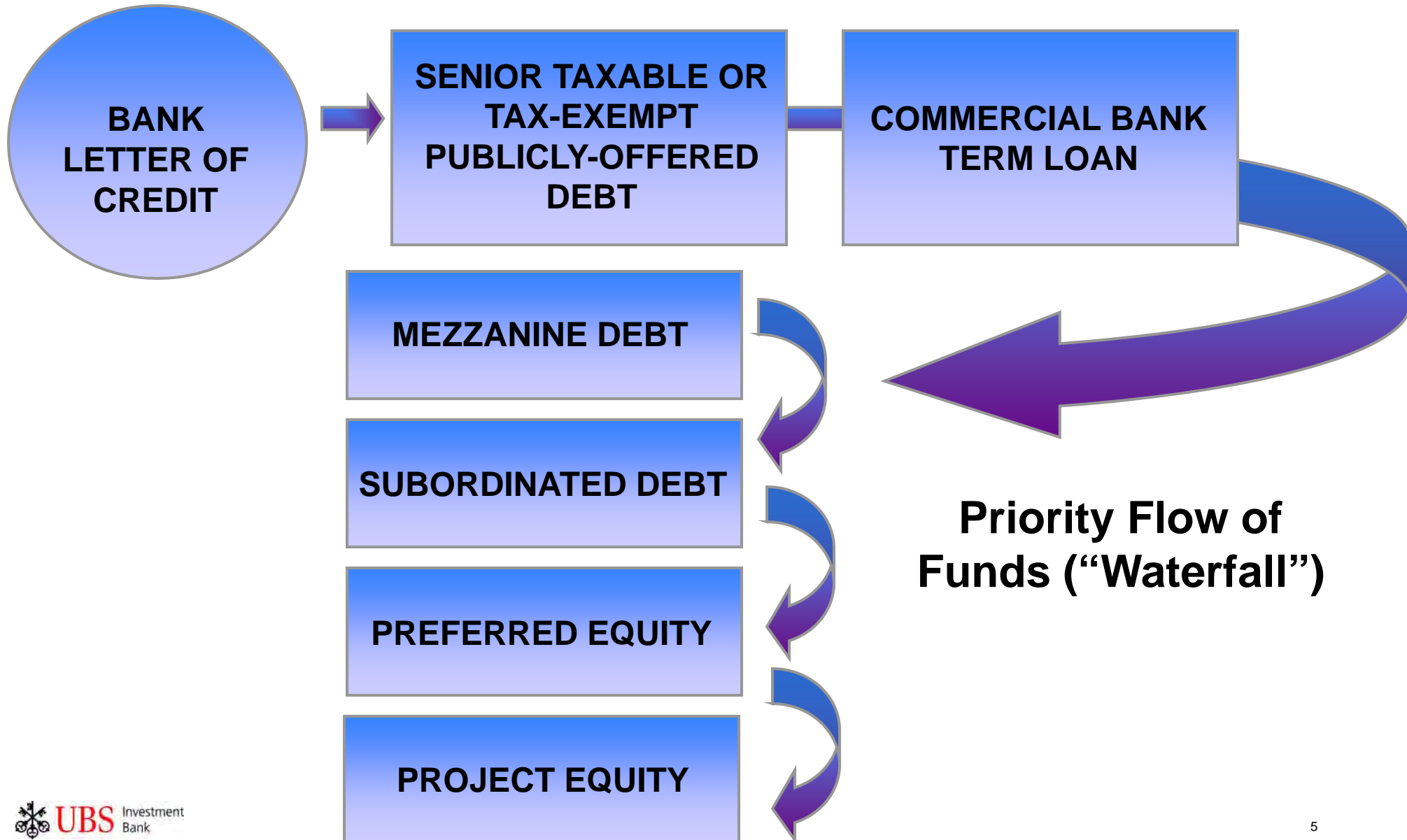
Project Finance

Financial Structure

- Access to Tax-Exempt Debt Provides Longer Term Amortization and Lower Interest Rates.
- Both Tax-Exempt and Taxable Project Finance Structures Require Credit Enhancement.
- Greenfield Developments Have Only Pro Forma-Based Revenue, Therefore Require Third Party Credit.
- Project Finance Commercial Bank Letter of Credit and/or Term Loan are Most Acceptable and Viable Financial Structures.

Project Finance

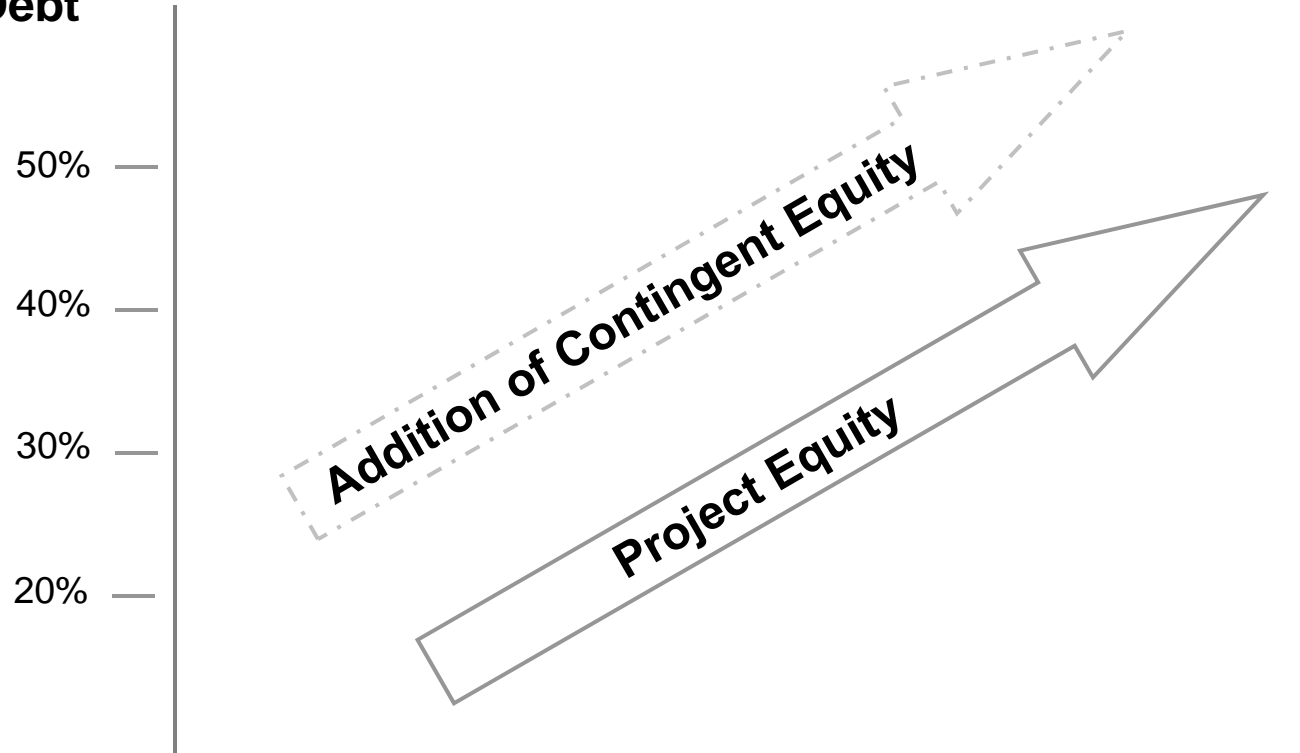
Financial Structure (Cont'd)



Project Finance

Financial Structure (Cont'd)

**Non-Senior
Debt**



**Open Project
Terms**

