

# DEVELOPING AND FINANCING TRIBAL ENERGY PROJECTS

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IBERDROLA RENEWABLE ENERGIE USA LTD



# Iberdrola

## **Iberdrola S.A.**

- **One of the world's largest utilities**
- **Scottish Power/PPM acquisition**
- **Energy East acquisition**

## **Iberdrola Renewables**

- **Largest wind owner/operator in world**
- **IPO in December 2007**

## **Iberdrola USA**

- **2nd Largest US Owner (w/ PPM)**

# Long-term US Wind Potential

Country	Total Installed Capacity 2005 (MW)	New Wind Installation 2007 (MW)	Wind Capacity 2007 (MW)	Percent of Total
Denmark	13,366	3	3,125	23.4%
Spain	66,910	3,522	15,145	22.6%
Germany	120,376	1,667	22,247	18.5%
Portugal	12,176	434	2,150	17.7%
Ireland	5,510	59	805	14.6%
Netherlands	21,834	210	1,746	8.0%
India	137,578	1,730	8,000	5.8%
Italy	77,320	603	2,726	3.5%
United Kingdom	78,097	427	2,389	3.1%
France	112,719	888	2,454	2.2%
United States	956,673	5,244	16,818	1.8%
<i>Other</i>	2,269,393	5,289	16,518	0.7%
<b>World Total</b>	<b>3,871,952</b>	<b>20,076</b>	<b>94,123</b>	<b>2.4%</b>

# Short Term Issues – Financial Crisis

## Capital Availability

- Access/Terms of Debt
- Tax Equity

## Policy Uncertainty

- Extension of PTC?
- National RPS? Carbon Regulation?

→ Wind Investment in 2009?

# Potential Paths Forward

## **Land Owner: No Risk; Lease Payments**

### **Early Stage Development**

- **Feasibility: Wind, Land, Interconnect**
- **Low \$; High Risk; High Return**

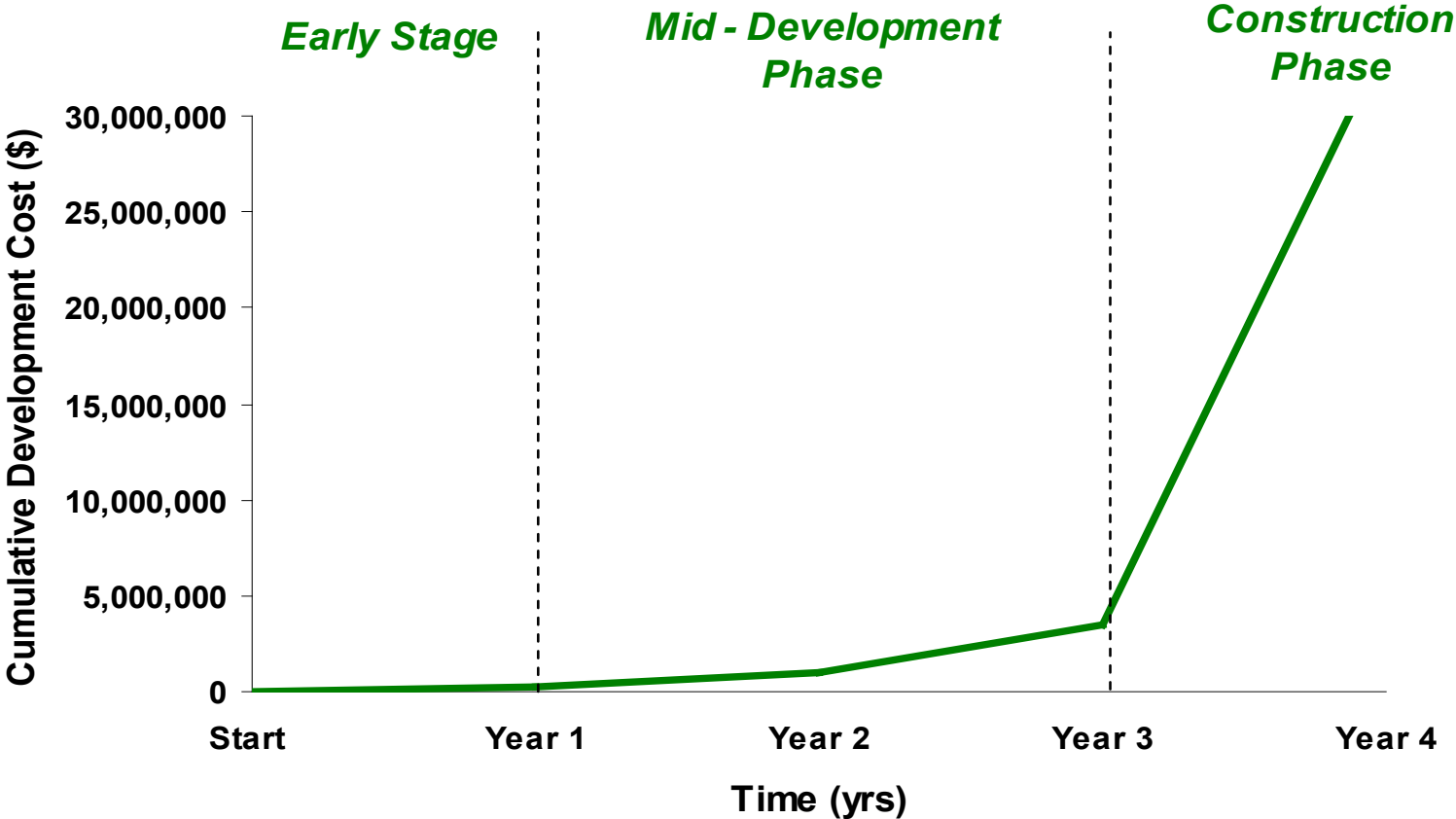
### **Mid Stage**

- **Permit, Transmission, Engineering Studies**
- **Medium \$; Medium Risk; Medium Return**

### **Construction/Operation**

- **Acquire Turbines; Fund Construction**
- **Large \$; Low Risk; Low Return**

# Development Cycle



# Implications

- **Focus on desired opportunity**
- **Only the best projects may move forward?**
- **Be cautious about capital intensive efforts**
- **Flight to Quality?**
- **Take advantage of federal/other support**