

# GE Energy Financial Services

## Renewable Energy Project Finance

Kevin Walsh  
Managing Director and Leader  
Power and Renewable Energy

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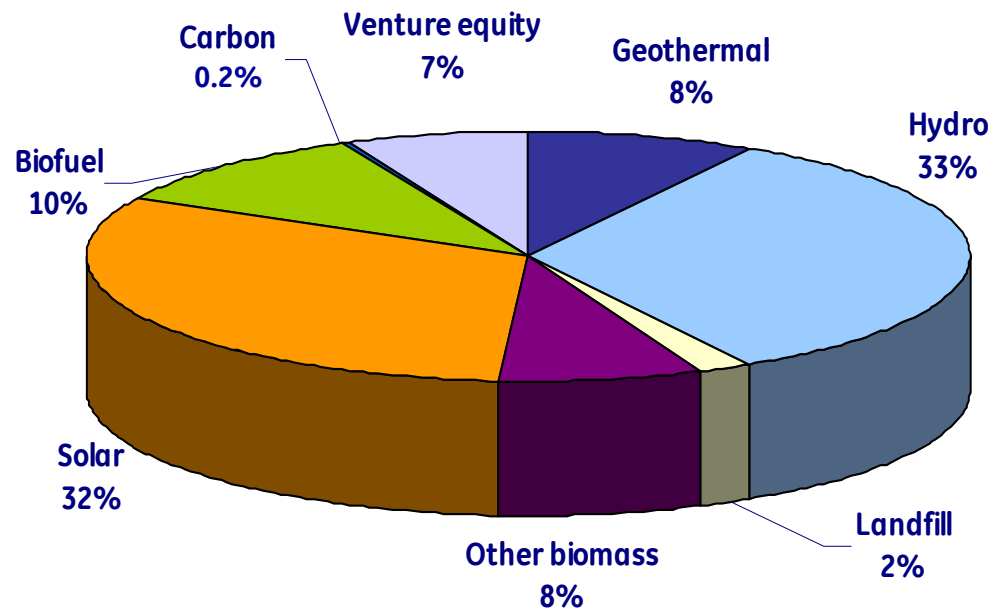
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# GE Energy Financial Services ... leading investor in renewable energy

Equity in ~6,000 MW of wind projects

~\$1 billion in diverse mix of non-wind technologies



*Note: Share %'s based upon investment amount*

# Example: Caithness Shepherds Flat

- ✓ 845 MW... world's largest wind project when completed in 2012
- ✓ North American debut of GE 2.5 MW wind turbine
- ✓ Helping meet aggressive 33% by 2020 California RPS
- ✓ 400 construction jobs, 35 during operation
- ✓ Treasury grant and DOE loan guarantee key to financing



# Breaking News: GE invests in Idaho's largest wind power project

- 183-MW portfolio of 11 wind farms under construction
- Half billion dollar project
- Key project participants
  - Developer: Exergy Development Group
  - Manager: Reunion Power
  - EPC: Fagen
  - Equipment: GE Energy
  - Lead investor: GE Energy Financial Services
- 175 construction jobs plus operational jobs
- Wind project this size could support 2,200+ indirect jobs (based on NREL model)
- Fully contracted for 20 years with Idaho Power



# GE Energy Financial Services: Flexible project equity alternatives

**Tax equity** ... more options given new government incentives

**Preferred equity** ... minimize common equity and keep control

**Common equity** ... stretch checkbook and/or deconsolidate debt

**Leasing** ... complexities, considered for solar and CA wind projects

**Partnership flip** ... efficient use of incentives, flexible



# Renewable energy challenges

- PPAs difficult with low gas/power prices and depressed demand
- Weak economy makes PUCs less willing to pass through renewables cost in rates
- Treasury Grant “start of construction” deadline approaching
- Debt more common with Treasury Grant... adds complexity
- Environmental hurdles... birds, bats, radar, noise, etc.
- Transmission expansion needed to meet national RES



# 6,000+ Call on Congress



“Create more American jobs by enacting clean energy policies this year”

**Contact:**

**Kevin Walsh**

**Managing Director and Leader, Power and Renewable Energy**

**GE**

**Energy Financial Services**

**800 Long Ridge Road**

**Stamford, CT 06927**

**Phone: (203) 961-2144**

**Email: [kevin.walsh2@ge.com](mailto:kevin.walsh2@ge.com)**

**[www.geenergyfinancialservices.com](http://www.geenergyfinancialservices.com)**



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