



# Terra-Gen Power, LLC



imagination at work

press release

## **GE UNIT, UNIONBANCAL UNIT, BUY CALIFORNIA WIND FARM FIRST PHASE OF ONE OF LARGEST US WIND ENERGY PROJECTS STARTING OPERATIONS**

**TEHACHAPI, CA, Jan. 10, 2011** – GE Energy Financial Services, a unit of GE (NYSE: GE), and Bankers Commercial Corporation, a unit of UnionBanCal Corporation, announced today that they have purchased the first wind farm to start operations in one of the largest wind energy projects in the United States.

GE Energy Financial Services and Bankers Commercial Corporation acquired the 150-megawatt Alta Wind I wind farm in Tehachapi, in Kern County, California, and are leasing it back to its developer, operator and manager, Terra-Gen Power, LLC. The wind farm, using 100 GE 1.5-megawatt SLE turbines, was completed in the fourth quarter of last year. GE Energy Financial Services -- a major global investor in multiple energy generation and distribution projects and companies -- and Bankers Commercial Corporation each own 50 percent of the wind farm. Funds from the sale will be used to pay off construction loans Terra-Gen entered into for the project last March. Financial details were not disclosed.

The Alta Wind I farm is the first phase of the Alta Wind Energy Center, a planned 3,000-megawatt project. The first 1,550 megawatts of the center, including this phase, is contracted to Southern California Edison. When complete, the center will be able to provide electricity for 1.3 million California homes. Terra-Gen estimates the center will create more than 3,000 domestic manufacturing, construction, operations and maintenance jobs, and will contribute more than \$1.2 billion to Kern County's economy. According to Terra-Gen, the center is expected to cut carbon dioxide emissions by more than 52 million metric tons over the next decade, equivalent to taking 890,000 cars off the road. The wind farms will help California meet its goal of ensuring that by 2020, 33 percent of the power it consumes comes from renewable sources. Alta Wind I is the first project to connect with Southern California Edison's Tehachapi Renewable Transmission Project, the first major transmission project in California to be constructed specifically for accessing a renewable-rich resource

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area. When completed, the Tehachapi Renewable Transmission Project will consist of more than 250 miles of new and upgraded high-voltage transmission infrastructure.

“This transaction, our first using a lease for a wind farm, demonstrates our ability to tailor structures to meet our customers’ needs, in this case enabling Terra-Gen to free up cash while enabling it to continue to operate and manage the project,” said Kevin Walsh, a managing director and leader of power and renewable energy at GE Energy Financial Services. “In addition, it builds on our recently achieved target of accumulating \$6 billion in renewable energy investments by the end of last year, and it reinforces our commitment to ecomagination, GE’s program to help its customers meet their environmental challenges while expanding its own portfolio of cleaner energy products.”

Lance Markowitz, President of Bankers Commercial Corporation, said: “We look forward to the long-term success of Alta Wind 1, one of the premier wind projects in the United States. The quality of Alta 1 and the expertise required to develop the greater Alta Wind Center are a credit to the Terra-Gen team. This investment demonstrates how we apply our structuring expertise and industry knowledge to attractive financing solutions for the renewable energy market. We now have committed investments in projects aggregating more than 2,000 megawatts.”

John O'Connor, Chief Financial Officer of Terra-Gen, said: “The 150-megawatt Alta Wind I project represents the important first phase of the Alta Wind Energy Center, which when complete is expected to comprise approximately 3,000 megawatts. This transaction will allow Terra-Gen to free up capital and maintain operating control of Alta I.”

The project is eligible for a US Treasury grant created under the American Recovery and Reinvestment Act. It allows renewable energy project owners to access a cash grant in lieu of tax credits.

### **About GE Energy Financial Services**

GE Energy Financial Services’ experts invest globally with a long-term view, backed by the best of GE’s technical know-how, financial strength and rigorous risk management, across the capital spectrum, in one of the world’s most capital-intensive industries, energy. GE Energy Financial Services helps its customers and GE grow through new investments, strong partnerships and optimization of its \$21 billion in assets. GE Energy Financial Services is based in Stamford, Connecticut. For more information, visit [www.geenergyfinancialservices.com](http://www.geenergyfinancialservices.com).

### **About GE**

GE (NYSE: GE) is a diversified infrastructure, finance and media company taking on the world’s toughest challenges. From aircraft engines and power generation to financial services, health care solutions, and television programming, GE operates in more than 100

countries and employs about 300,000 people worldwide. For more information, visit the company's Web site at [www.ge.com](http://www.ge.com).

**About UnionBanCal Corporation & Union Bank, N.A.**

Headquartered in San Francisco, UnionBanCal Corporation is a financial holding company with assets of \$79.8 billion at September 30, 2010. Its primary subsidiary, Union Bank, N.A., is a full service commercial bank providing an array of financial services to individuals, small businesses, middle-market companies, and major corporations. The bank operated 397 banking offices in California, Washington, Oregon and Texas, as well as two international offices, on September 30, 2010. UnionBanCal Corporation is a wholly-owned subsidiary of The Bank of Tokyo-Mitsubishi UFJ, Ltd., which is a subsidiary of Mitsubishi UFJ Financial Group, Inc. Union Bank is a proud member of the Mitsubishi UFJ Financial Group (MUFG, NYSE:MTU), one of the world's largest financial organizations. Visit [www.unionbank.com](http://www.unionbank.com) for more information.

**About Terra-Gen Power**

Terra-Gen Power is a leading renewable energy company headquartered in New York City with offices in San Diego, Denver, and Reno. Its operating company subsidiary Terra-Gen Finance Company owns 831 MW (net) of renewable generating facilities across 21 projects, 19 of which are operated and managed by Terra-Gen. Terra Gen's development subsidiaries hold over 5,000 MW of wind, geothermal, and solar development projects, including the 3,000 MW Alta Wind Energy Center project in Tehachapi, CA, which is being developed by Terra-Gen's California Highwind Power subsidiary. Terra-Gen is owned by ArcLight Capital Partners and Global Infrastructure Partners. More information about Terra-Gen can be found at <http://www.terra-genpower.com>.

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**Editor's Note:**



**Photo:**

**Caption for photo accompanying this text:** GE Energy Financial Services and Bankers Commercial Corporation have purchased Alta Wind I, shown here in Tehachapi, CA, the first wind farm to start operations in one of the largest wind energy projects in the United States, and leased it to Terra-Gen.

TV News B roll: <http://www.geenergyfinancialservices.com/digitalRoom.asp>