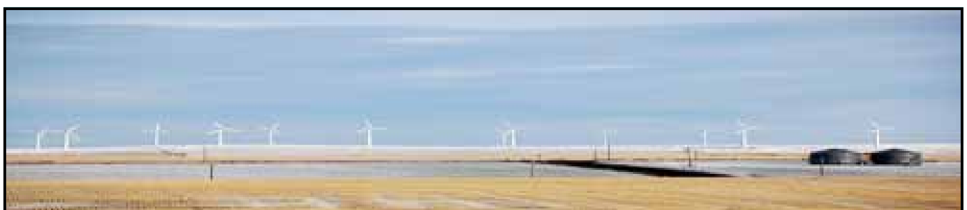
NATIONALWIND

The Opportunities of Wind Energy and Community Ownership

January 21, 2009

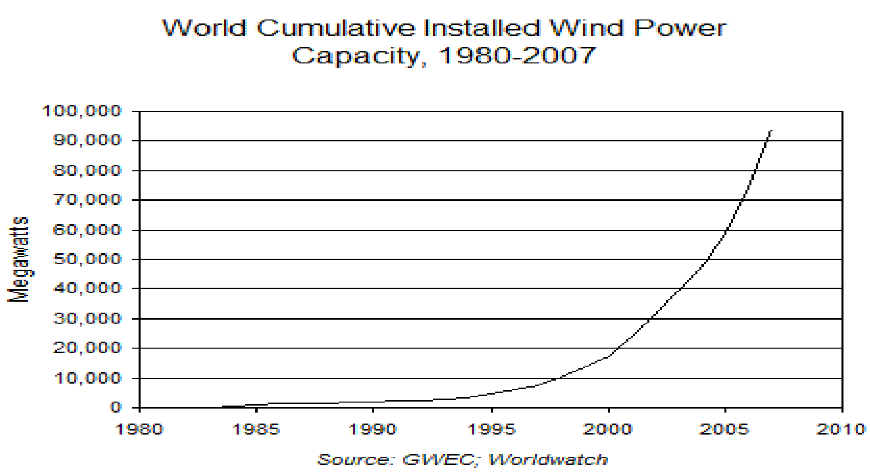


What are the "Drivers" for US Wind Development

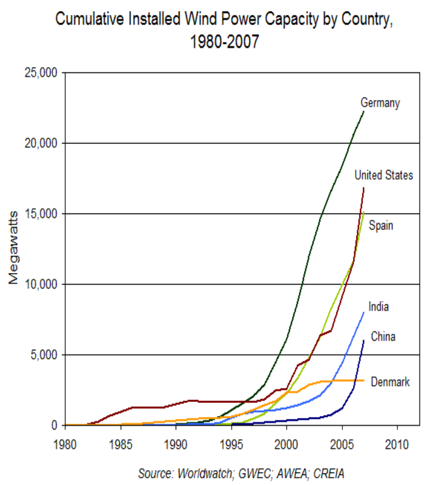
• Energy Growth and few good alternatives (Nuclear, Coal, and Natural Gas)
• Strong Midwest wind speeds, justifies transmission
•Production Tax Credit (PTC) for Renewables – In place since mid 1990's
• State Renewable Portfolio Standards (including MN)
• New Obama approach – What we expect

Wind Energy Market

Growth of World Wind



US Installing the Fastest

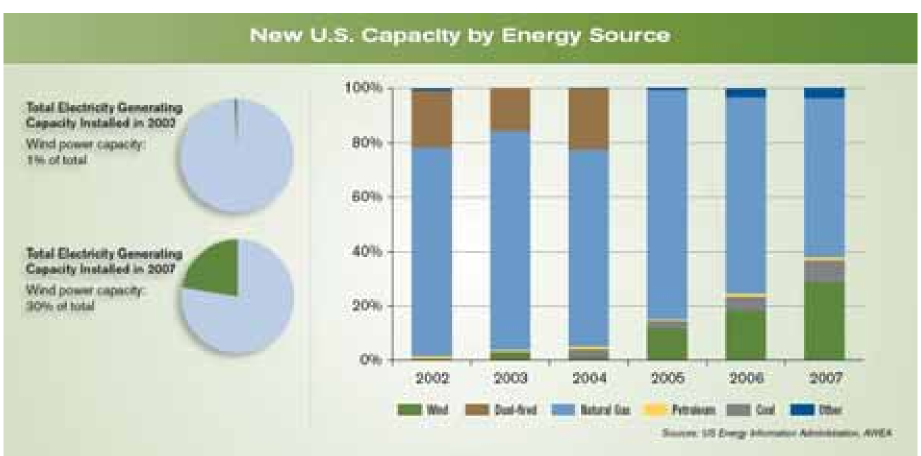


Wind Power Capacity Additions in 2007, Top 10 Countries		
Country	Addition in 2007	Market Share
	Megawatts	Percent
United States	5,244	26.1
Spain	3,522	17.5
China	3,449	17.2
India	1,730	8.6
Germany	1,667	8.3
France	888	4.4
Italy	603	3.0
Portugal	434	2.2
United Kingdom	427	2.1
Canada	386	1.9

Note: Gross installations, not corrected for retirements.

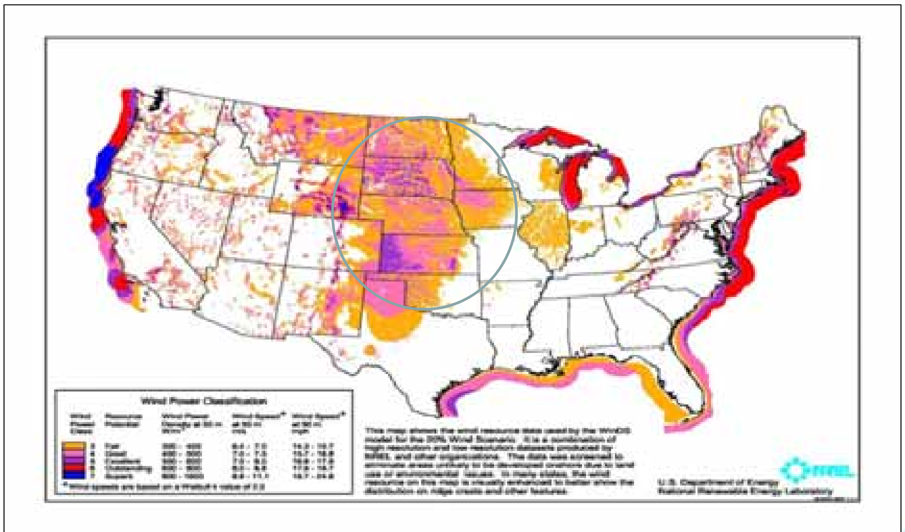
Source: Global Wind Energy Council, "U.S., China & Spain Lead World Wind Power Market in 2007," press release (Brussels: 6 February 2008).

NATIONALWIND



NATIONALWIND

US Wind Resource Map



NATIONALWIND

US State's Capacity
National Wind's Market Focus
Midwest Opportunities

1	North Dakota 1,210	11	Colorado 481
2	Texas 1,190	12	New Mexico 435
3	Kansas 1,070	13	Idaho 73
4	South Dakota 1,030	14	Michigan 65
5	Montana 1,020	15	New York 62
6	Nebraska 868	16	Illinois 61
7	Wyoming 747	17	California 59
8	Oklahoma 725	18	Wisconsin 58
9	Minnesota 657	19	Maine 56
10	Iowa 551	20	Missouri 52

NATIONALWIND

NATIONALWIND™ DEVELOPMENT PROJECTS

5000+ MW
of projects

1500+ MW
of projects in **early development** phases

3500+ MW
of projects in **advanced development** phases

50 MW
of projects in **operation**

What are the Political Influences

NATIONALWIND™

Predictions

What does the Obama administration mean for the wind industry? According to AWEA

"With a long-term extension of the tax credits. …a long-term big-picture build-out of the transmission system. ….a federal renewable energy status. And … reasonable climate legislation, …..the United States will have a very robust wind industry that could grow from 20,000 megawatts to 305,000 megawatts by 2020,"

NATIONALWIND

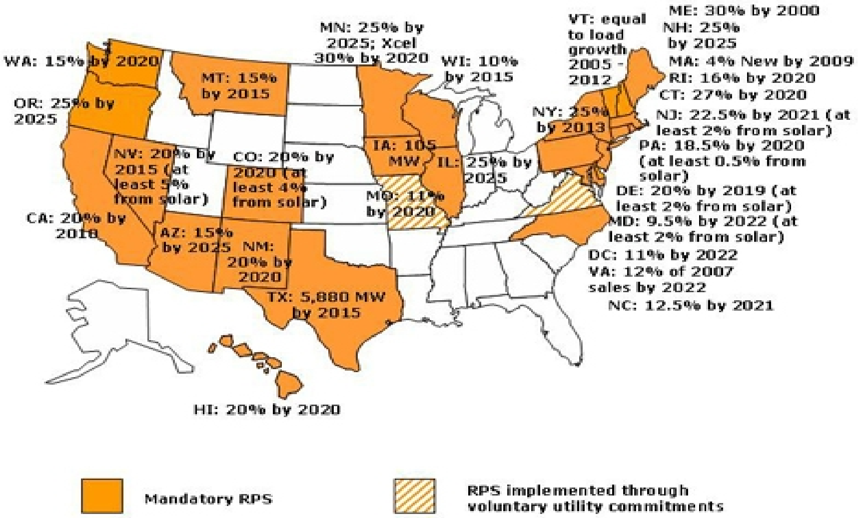
Obama Administration Proposals

- **National Renewable Portfolio Standard**
- **Investment in transmission infrastructure**
- **Subsidies for electric cars**
- **Long-term production tax credit**
- **Enhanced tax credits**
- **Climate legislation**
- **Investment in US manufacture**

NATIONALWIND

Renewable Portfolio Standards

States With Portfolio Standards



National Renewable Portfolio Standard (RPS)

The single largest stimulus to the wind industry

•US to use 25% Renewable energy by 2025

•US to use 10% renewable energy by 2012

•US currently uses 3.7% renewable energy mostly hydro

•US Currently uses 1% wind

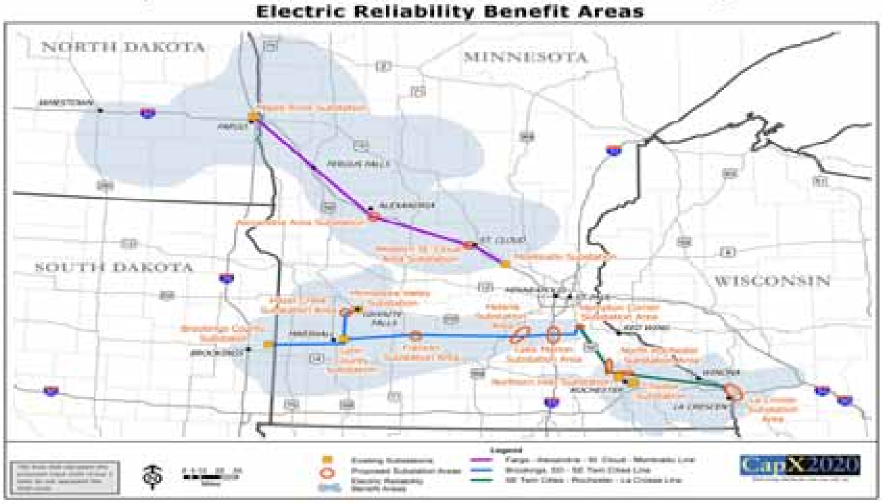
NATIONALWIND

Transmission Infrastructure and its Midwest Implications

NATIONALWIND

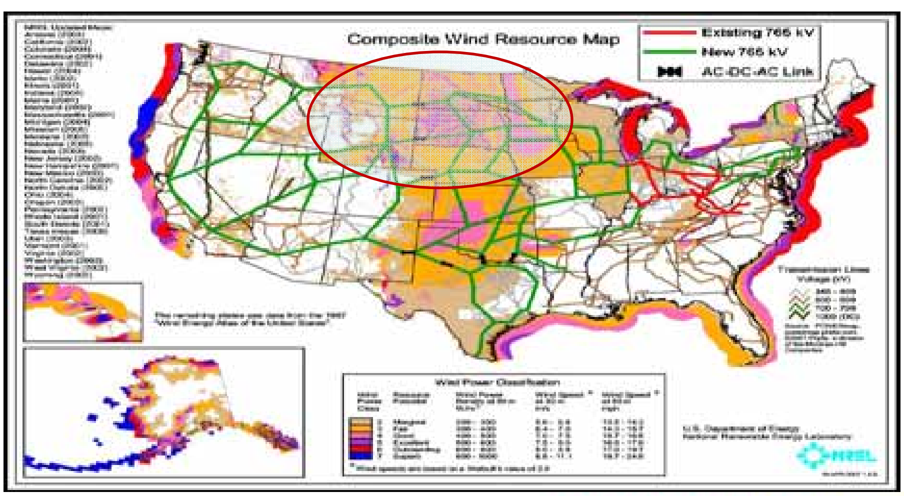
CapX 2020

CapX 2020 Proposed 345 kV Transmission Line Projects
Electric Reliability Benefit Areas



NATIONALWIND

Proposed Transmission Super Highway



NATIONALWIND

The Utility Scale Community Wind Model

Courtesy Iowa Lakes Community College

NATIONALWIND

Traditional Development Structure

- Single Developer fully coordinates project and activities
- Build for owner or for sale of project
- Development Fees at 3%-4% of project size
- Landowner only participates in Turbine Lease (generally $4-8K per year)
- No other local ownership or influence

NATIONALWIND

Key Features of National Wind Model

- National Wind forms the project entity and completes feasibility study
- National Wind acts as the Managing Partner
- Local landowners invest - sharing in the fees, income and distributions of a project
- National Wind generally has equity interest (fully diluted) of 25-40%....with the balance owned by local landowners and investors

NATIONALWIND

Community Wind vs. Corporate Developer

Payment/Benefit offered to Landowner	Community Approach	Other Developer
Turbine Lease Payments	☑	☑
Area/Turbine Payments	☑	☑
Ownership in Company through Assignment of Wind rights	☑	
Member Advisory Board	☑	
Participates Financially in Project Sale	☑	
Participates Financially in PPA	☑	

NATIONALWIND

Pro-forma
Typical Project

Period	Revenues	Lease Payments	Tax Payments	Fees	Distributions	Total Local Benefit
1	39,735,360	1,390,738	662,256	0	0	2,052,994
2	39,735,360	1,390,738	662,256	0	0	2,052,994
3	39,735,360	1,390,738	662,256	0	0	2,052,994
4	39,735,360	1,390,738	662,256	0	0	2,052,994
5	39,735,360	1,390,738	662,256	0	0	2,052,994
6	39,735,360	1,390,738	662,256	0	0	2,052,994
7	39,735,360	1,390,738	662,256	0	0	2,052,994
8	39,735,360	1,390,738	662,256	0	0	2,052,994
9	39,735,360	1,390,738	662,256	0	0	2,052,994
10	39,735,360	1,390,738	662,256	0	0	2,052,994
11	39,735,360	1,390,738	662,256	0	0	2,052,994
12	39,735,360	1,390,738	662,256	0	0	2,052,994
13	39,735,360	1,390,738	662,256	0	0	2,052,994
14	39,735,360	1,390,738	662,256	0	0	2,052,994
15	39,735,360	1,390,738	662,256	0	0	2,052,994
16	39,735,360	1,390,738	662,256	0	0	2,052,994
17	39,735,360	1,390,738	662,256	0	0	2,052,994
18	39,735,360	1,390,738	662,256	0	0	2,052,994
19	39,735,360	1,390,738	662,256	0	0	2,052,994
20	39,735,360	1,390,738	662,256	0	0	2,052,994
	794,707,200	**27,814,752**	**13,245,120**	**-**	**-**	**41,059,872**
		3.50%	**1.67%**	**0.00%**	**0.00%**	**5.17%**

National Wind
Community model

Period	Revenues	Lease Payments	Tax Payments	Fees	Distributions	Total Local Benefit
1	39,735,360	1,788,091	662,256	8,194,475	80,428	10,725,250
2	39,735,360	1,832,793	662,256	62,553	79,818	2,637,421
3	39,735,360	1,878,613	662,256	62,553	74,011	2,677,433
4	39,735,360	1,925,579	662,256	62,553	73,665	2,724,053
5	39,735,360	1,973,718	662,256	62,553	73,312	2,771,840
6	39,735,360	2,023,061	662,256	62,553	72,952	2,820,822
7	39,735,360	2,073,638	662,256	62,553	72,583	2,871,030
8	39,735,360	2,125,479	662,256	62,553	72,207	2,922,494
9	39,735,360	2,178,615	662,256	62,553	71,822	2,975,247
10	39,735,360	2,233,081	662,256	62,553	71,429	3,029,319
11	39,735,360	2,288,908	662,256	62,553	5,682,242	8,695,959
12	39,735,360	2,346,131	662,256	62,553	5,649,446	8,720,385
13	39,735,360	2,404,784	662,256	62,553	5,615,941	8,745,534
14	39,735,360	2,464,903	662,256	62,553	5,581,712	8,771,425
15	39,735,360	2,526,526	662,256	62,553	5,546,744	8,798,079
16	39,735,360	2,589,689	662,256	62,553	5,511,019	8,825,518
17	39,735,360	2,654,431	662,256	62,553	5,474,523	8,853,764
18	39,735,360	2,720,792	662,256	62,553	19,030,330	22,475,931
19	39,735,360	2,788,812	662,256	62,553	18,897,006	22,410,627
20	39,735,360	2,858,532	662,256	62,553	18,760,797	22,344,139
	794,707,200	**45,676,177**	**13,245,120**	**9,382,987**	**96,491,986**	**164,796,270**
		5.75%	**1.67%**	**1.18%**	**12.14%**	**20.74%**

The Features of Community Wind Projects

- Landowners participate with developer in local "Project Company"
- Landowners have Access to More financial returns than a Lease Payment
  - Participate in the development process
  - Sensitivity to the needs of a specific community
- Permitting is Less Controversial
- Competitive Advantage with Utilities
- Profits Stay in the Communi

NATIONALWIND™

NATIONALWIND™

Thank you for your Attention

National Wind in the News

FINANCE AND COMMERCE

Rushing to Wind Farms
by Bob Geiger Staff Writer

Minneapolis wind energy developer plans $1.5 billion S.D. development
As part of a "land rush" to develop wind farms, Minneapolis-based National Wind, LLC, plans to build a multi-phase 750-megawatt wind farm in northeastern South Dakota.

StarTribune.com
Minneapolis - St. Paul, Minnesota

Rural wind power shifts direction
National Wind, a Minneapolis-based start-up that provides financing and technical know-how for community wind projects, recently completed this 50-megawatt wind farm in Jeffers, Minn.
Wind-power developers and local landowners are turning to a cooperative business model as a way to jump-start large-scale projects.
By THOMAS LEE, Star Tribune

NATIONALWIND