

*Cape & Vineyard Electric
Cooperative, Inc.*

*HARWICH WIND TURBINES
COMMUNITY WIND FORUM
APRIL 17, 2010*

CVEC Cooperative Model

- CVEC Non-Profit Municipal Coop - 16 Members
 - Barnstable and Dukes Counties, Towns of Barnstable, Bourne, Brewster, Dennis, Eastham, Edgartown, Harwich, Mashpee, Orleans, Provincetown, Sandwich, Tisbury, Yarmouth and the Cape Light Compact
- Members Share Benefits
- Net Metering (Green Communities Act) Provides Savings Opportunities
- Wind Turbine Projects – Host Community Receives up to 90% of the Energy Generated for Municipal Load
- Harwich Utilizes ~79%
- Cape Light Compact – 10% of the Energy to General Aggregated Power Supply
- Other CVEC Members Receive Remaining 11% on a Pro-Rata Share Based on Municipal Load

Financing Through CVEC

- CREBS
 - \$10 Million Award
 - 15 Year Term, 2% Premium
 - Issuance Issues Due to Economic Climate
- Rural Utility Service
 - Rate Tied To Treasury (4.13%)
 - 20 Year Term
- Power Purchase Agreement for Allocated Power are Members' only Obligation
- Lease Payment for Host Community

ASSUMPTIONS

- Two, 1.5MW turbines producing 6.339 million kWh of energy annually (24.1% NCF)
- Harwich Municipal Load – 5.004 million kWh annually
- Net Metering Credit value of \$0.16704/KWH:
 - Energy - \$0.10999
 - Transmission - \$0.00564
 - Transition - \$0.01800
 - Distribution - \$0.03341
- Project Financed Amount in Base Scenarios- \$8,825,000
- REC Price \$25/MWH for 15 years
- Harwich Electric Bill at \$0.183/kWh
- O&M escalator – 2.5%
- PPA Price - \$0.131 Over the Term

SAVINGS TO HARWICH - CREBS

- Original NStar Bill - \$915,732
- Net Metering Credit - \$835,868
 - Offsets 4 charges on Electric Bill
- Net NStar Electric Bill - <\$79,864>
- CVEC Power Purchase - <\$655,524>
- New Total Energy Cost - <\$735,388>
- Savings on Energy is \$180,344
- Lease Payment - \$100,000 annually
- Replaces an \$915,732 Electric Bill with a \$735,388 Electric Bill
- Total Annual Savings (Savings on Energy + Lease Payment) is \$280,344
- 15 Year Total Savings - \$4,205,162

PROJECT UPDATE

- Selected Owner's Engineer Vendor – Weston & Sampson
- Awarded \$200,000 Commonwealth Wind Incentive Grant
- Begin Permitting Process
- Prepare the NSTAR Interconnect Agreement
- Issue the Bid for an Engineering, Procurement and Construction (EPC) Contractor