



U.S. DEPARTMENT OF ENERGY LOAN GUARANTEE PROGRAM

FINANCIAL INSTITUTION PARTNERSHIP PROGRAM

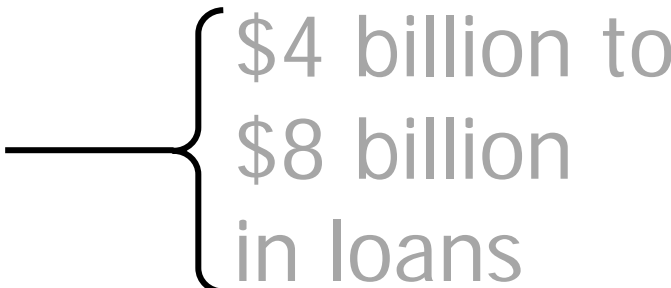
Presentation Contents

- Highlights
- Fees
- Threshold Determinations
- Lender-Applicant Credit Underwriting
- Eligible Projects
- Application Process
- Lender-Applicant Project Evaluation
- Term Sheet/Conditional Committee
- Closing
- Loan Guarantee Agreement
- Loan Agreement

Designed to expedite the Department of Energy's ("DOE") loan guarantee process

Financial institutions play a significant role in the credit review process

\$750 million appropriated by Congress to pay Credit Subsidy Costs



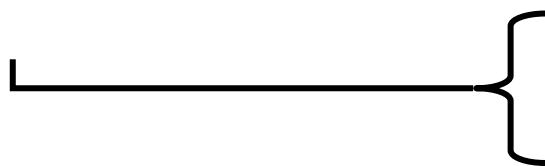
\$4 billion to
\$8 billion
in loans

DOE Guarantee



No more than 80%
of the Guaranteed
Obligations

“Stripping” permitted



Facilitates sale of DOE
guaranteed debt

Risk Sharing Pari Passu with DOE

Lender-Applicants must be “Eligible Lenders”

“ELIGIBLE LENDERS”

Entity engaged in business of lending money

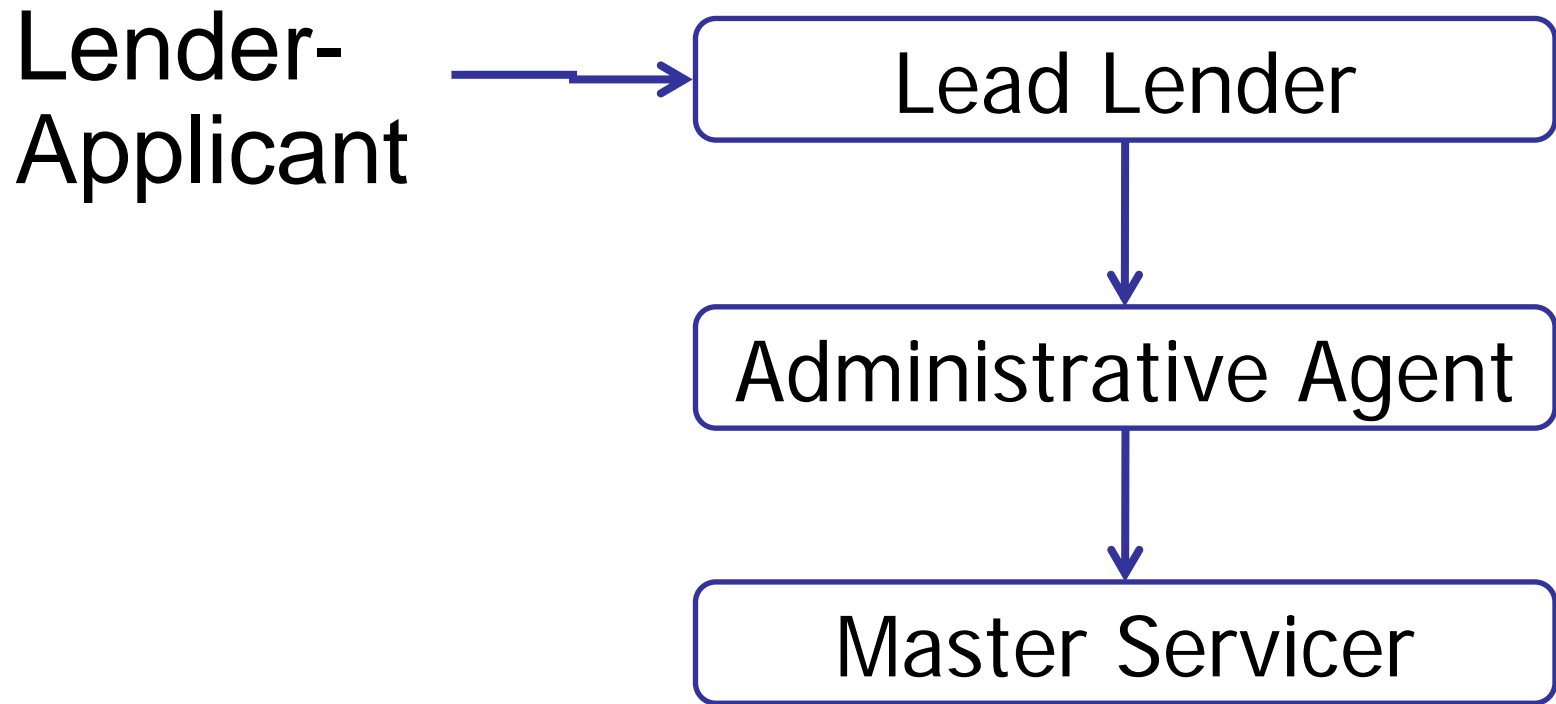
Not debarred or suspended from federal government procurement activities

Not delinquent on any federal debt or loan

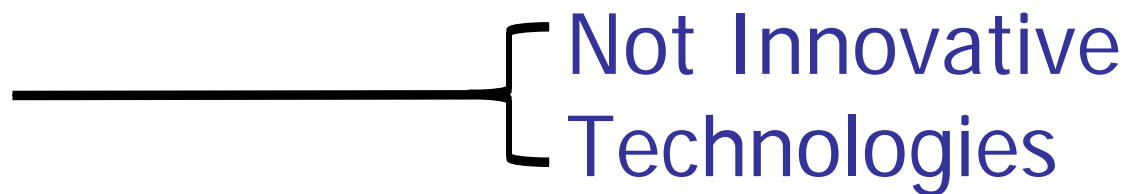
Legally authorized to enter into loan guarantee transactions and in good standing with DOE

Ability to demonstrate experience in loan origination and servicing similar to proposed transaction

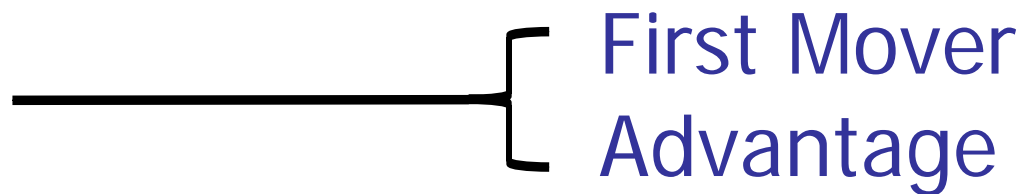
Ability to demonstrate experience as lead lender or underwriter in large commercial projects



Commercial
Projects



Competitive
Review
Process



Fees Paid to DOE	
Application Fee	\$50,000
Facility Fee	50% of 1% of guaranteed portion of Guaranteed Obligations
Maintenance Fee	\$10,000 to \$25,000 annually
Credit Subsidy Costs	Appropriated by Congress

Fees Paid to Lead Lender	
Administrative Fee	Market rate
Servicing Fee	Market rate

Applications denied if:

Project is located outside of the U.S.

Project is not ready to be commercially deployed in U.S.

Project cannot yield commercially viable product/service

Applications denied if:

Entity granting loan is not an “Eligible Lender”

Project is for demonstration or research and development

Sponsor/Borrower does not make an equity contribution

Project analysis by Lender-Applicant, as if no guarantee

Using internal credit policies

In accordance with comparable senior debt transactions

Commercial
Technology

Project Located in
the U.S.

Renewable Energy
Generation

Commence
Construction by
9.30.2011

Minimum Credit
Rating

Commercial Technology

In use in any commercial marketplace within or outside the U.S.

Used in 3 or more commercial projects in similar general application as proposed project

In operation for at least 2 years

Renewable Energy Generation

Systems that generate electricity or thermal energy

Does not include –
manufacturing,
transmission or
leading edge
biofuel projects

Hydropower Facility, including incremental hydropower

Closed/Open Loop Biomass Facility

Trash-to-Energy Facility

Geothermal Facility

Landfill Gas Facility

Wind Facility

Commencement of Construction

Applies to new and existing/postponed projects

On or before September 30, 2011

Complete pre-construction engineering and design

Receive necessary licenses, permits and environmental clearances

Engage contractors and order essential equipment and supplies

Commence physical construction at the primary site of the Eligible Project

Minimum Credit Rating

Credit rating criteria

At least BB from S&P, Ba2 from Moody's
evaluated without DOE Guarantee

Credit rating applies to

Project, if project financed

Borrower/Sponsor(s), if corporate financed

Two-Step Application Process

Project Evaluation

Term Sheet/Conditional
Commitment

Closing

Part I Application

**Must be submitted prior to Part II
Submission Due Dates**

25% non-refundable Application Fee

Balance due on submission of Part II Application

**Summary of: creditworthiness, project
eligibility, financing strategy and
compliance with FIPP**

Part I Application

DOE will evaluate based on:

Lender eligibility

Project eligibility

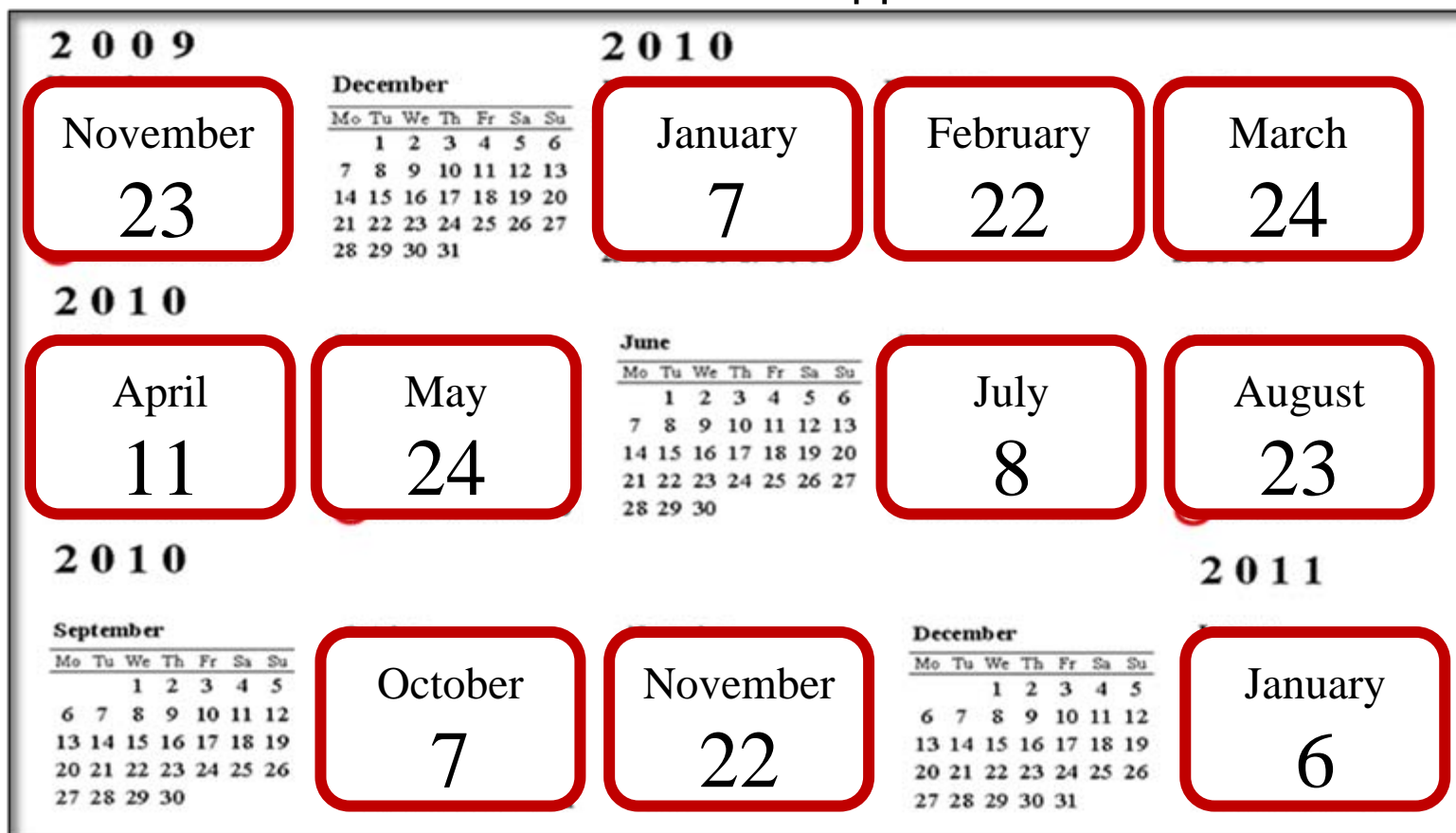
Construction Commencement Date

Responsiveness to FIPP Solicitation

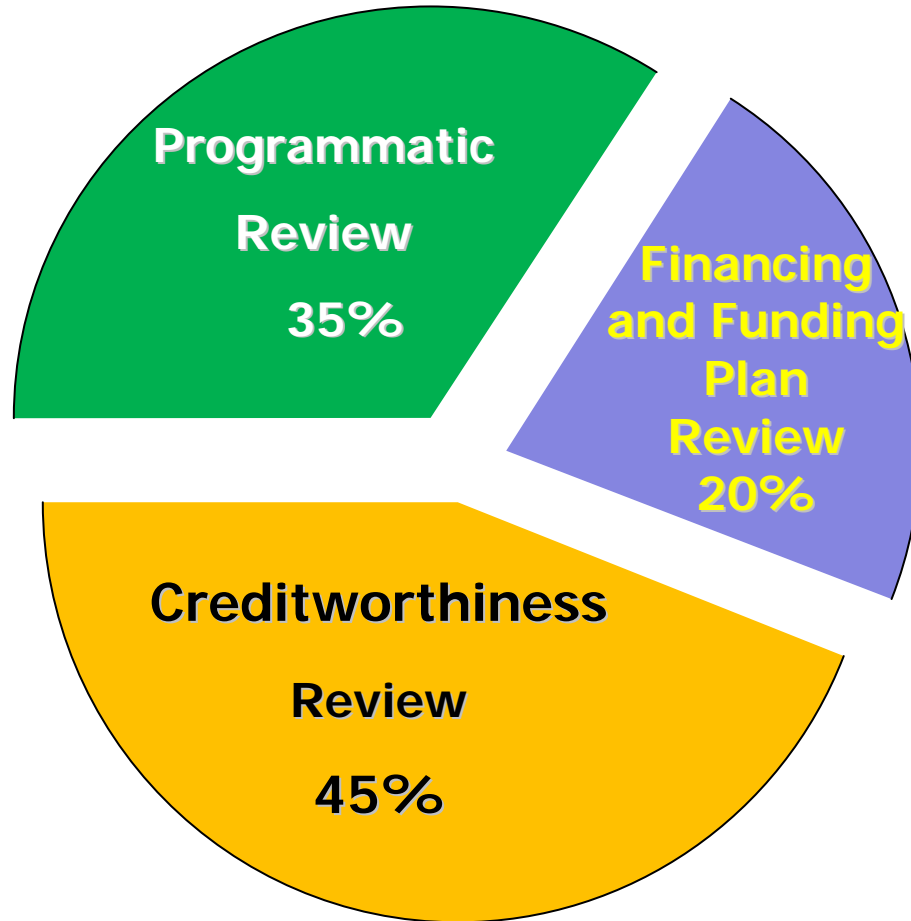
Part II Application

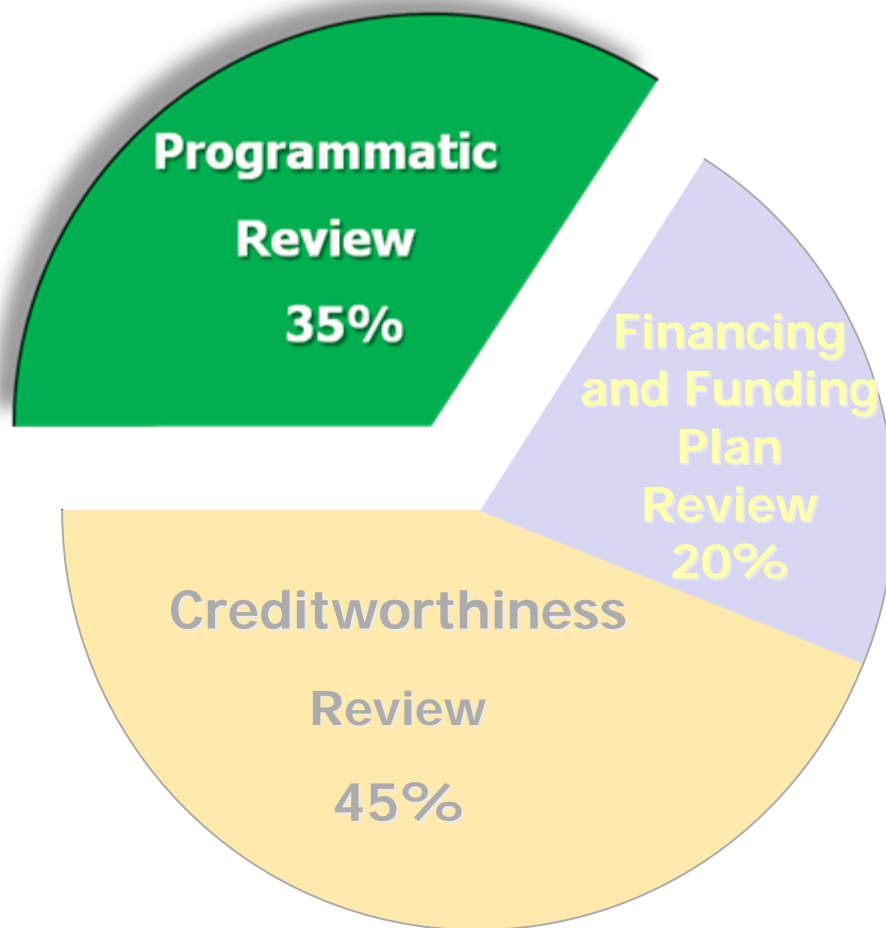
Submission Due Dates

Decision within 2 months of applicable due date



Part II Evaluation





Programmatic Review (35%)

Likelihood of reaching financial close

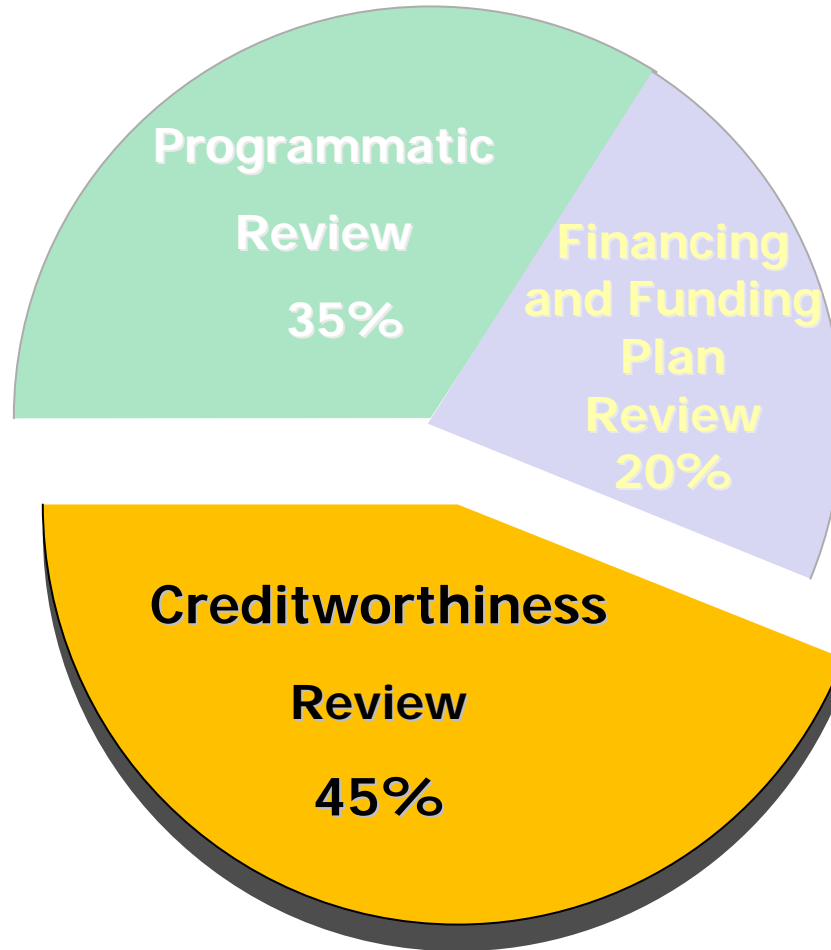
Likelihood of commencing construction no later than September 30, 2011

Size of investment in project

Simplicity of financing structure(s) — { likelihood of success

Potential legal/regulatory risks

APPLICATION PROCESS



Creditworthiness Review (45%)

Reasonable prospect of repayment

Economic viability of project without DOE
Guarantee

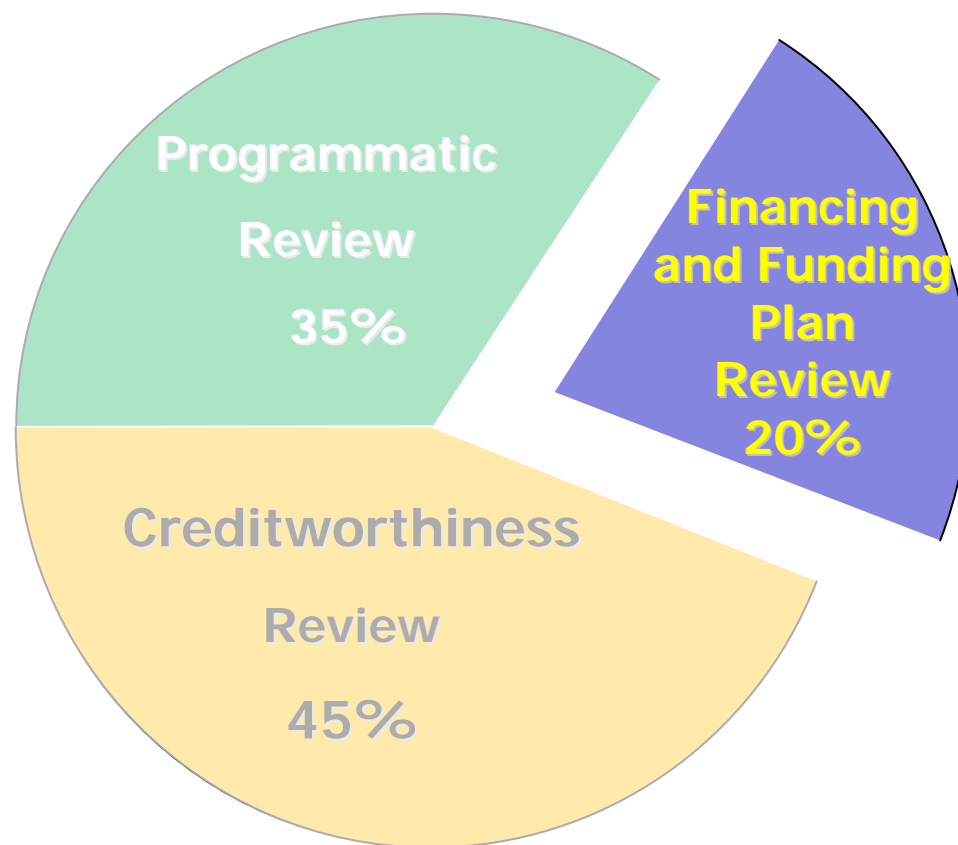
Ability to generate internal cash flow

Availability of other federal/state incentives

Sponsor(s) creditworthiness

Sufficiency of Guaranteed Obligations and other
sources of financing

APPLICATION PROCESS



Financing and Funding Plan Review (20%)

Preference towards a smaller guarantee percentage

Responsiveness to FIPP Solicitation

Syndication strategy, if any

Lender's long-term risk exposure aligned with DOE

Terms of key Off-take and Supply Contracts

Second lien financing disfavored

Responsibilities

Evaluation of financing plan

- Adequacy, timing, and leverage of funding
- Adequacy of contingencies and reserves

Assessment of financial viability

- Financial projections
- Borrower's ability to repay

Determination of technical efficacy

- Review of engineering report
- Environmental impact analysis

Responsibilities

Review project legal structure

Review adequacy of project and finance documents

Analysis and adequacy of IP rights

Evaluation of project risks

Analysis of potential risks

Risk allocation and mitigation plan

Financial model and stress testing

Expected financial performance

Ability to service debt, taking into account

FIPP requirements

Responsibilities

Assessment of project sponsors

Creditworthiness

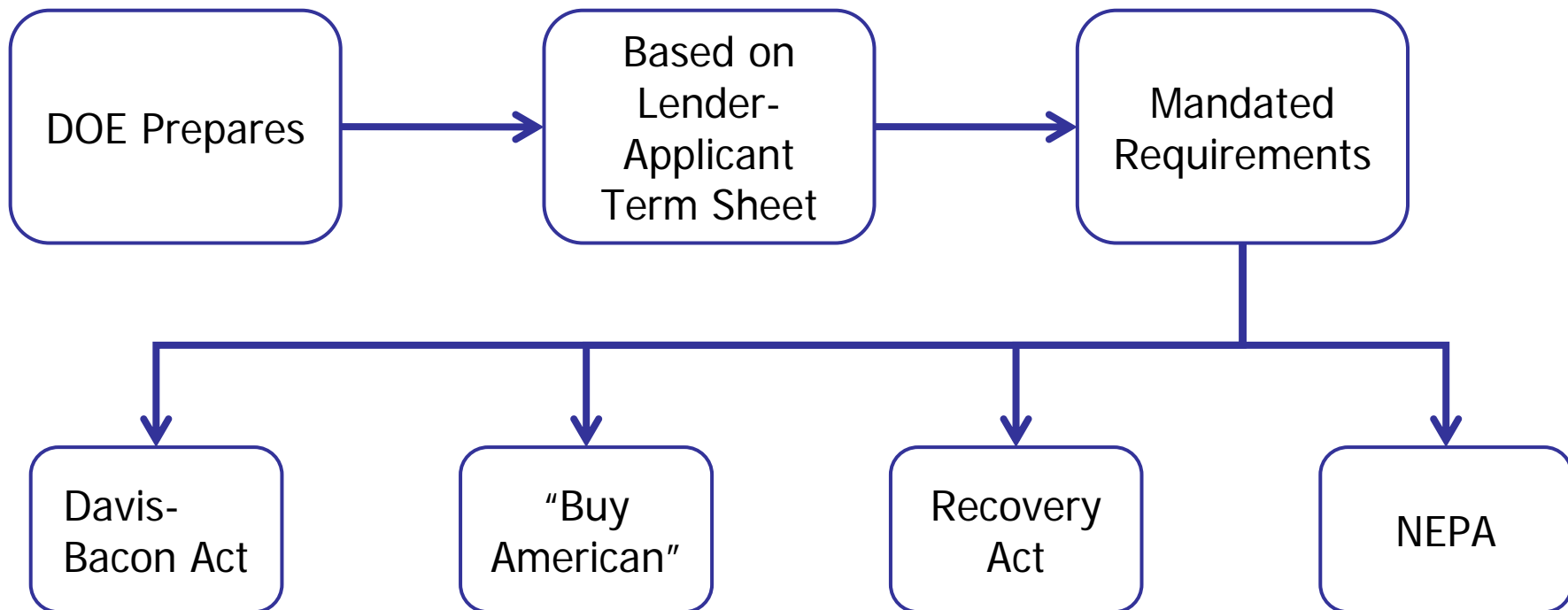
Experience and commitment to project

Analysis of proposed collateral

Value of pledged assets

Security sharing and inter-creditor arrangements

DOE will examine the Lender-Applicant's credit analysis in detail



TERM SHEET/CONDITIONAL COMMITMENT

- Davis-Bacon Requirements — { Market rate wages must be paid to laborers and mechanics
- Recovery Act Reporting Requirements — { 10 days after each quarter, Borrower must report number of jobs created and retained
- “Buy American” — { Iron, steel, and manufactured goods used in the project must be produced in the U.S.
- NEPA — { Application must include Environmental Assessment/Environmental Impact Statement

Conditional Commitment upon execution of Term Sheet

Subject to material change qualifiers and expiration date

Terminates if DOE fees are not paid

20% of Facility Fee due on execution

Execution of Loan Agreement

Execution of Loan Guarantee Agreement

Payment of Maintenance Fee (annual)

Payment of Credit Subsidy Costs

80% of Facility Fee paid by Lender-Applicant

Key Provisions

Between DOE, Holders and Administrative Agent

Full Faith and Credit

What is covered:

Up to 80% of principal and interest of Guaranteed Obligations

Key Provisions

What is not covered:

Fees

Costs and expenses

Make-whole amounts

Prepayment premiums

Breakage costs

Indemnified liabilities

Default interest

Key Provisions

Payment Options

Floating-rate interest — [Lump-sum Payment

Fixed-rate interest — [Installment Payments

Election made in Application

Key Provisions

DOE

— { Subrogation Rights

Administrative Agent

— { No assignment or
resignation without
DOE consent

Key Provisions

Holders may transfer to Eligible Lenders with DOE's prior written consent (not unreasonably withheld) and

No disproportionate transfer

Holding period = 2 years after commercial operations start except to an existing Holder or affiliate

Key Provisions

“Synthetic” stripping allowed at all times

Participations

Certificates of Beneficial Interest

Covered Notes

No prior DOE consent required

Voting Rights

DOE



Voting and
Control Rights
Amendments

Waivers

Acceleration

Exercise of remedies

Limited automatic acceleration
without DOE/Holder action



Bankruptcy
Insolvency

Voting Rights

Holders vote on:

Change in interest rates

Change in amortization schedule

Release of collateral

Change in senior ranking or priority of payments

Voting Rights

Payment Default

- 0-90 Days — [Only DOE may accelerate
- 90 Days — [Majority Holders may require DOE to “discuss” course of action
- 180 Days — [100% Holders may accelerate and exercise remedies
- 270 Days — [66.6% Holders may accelerate and exercise remedies

U.S. Department of Energy, Loan Guarantee Program

C/O USA Energy Advisors

Attn: DOE Commercial Renewable Energy

Generation Solicitation

919 Old Henderson Road

Columbus, OH 43220

Email Questions to:

DOEloanquestions@USAEA-connect.com

Subject line: Re: CMCL TECH-Review Solicitation Question

Telephone: (614) 324-5940



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