



Clear Sky Energy, LLC.

www.cskyenergy.com

Wind Power Developers

Sumner, Maine Benefits Summary

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It is anticipated that this project will create \$200,000 to \$250,000 per year or \$6.0 million to \$7.5 million in tax revenues for Sumner over the course of the 30 year project. This revenue will certainly stabilize Sumner's tax base, and could potentially decrease tax rates for Sumner.

The large investment in a wind power project typically has the corresponding effect of substantially increasing the local property tax base, thereby reducing taxes overall. Clear Sky expects that it will pay significant annual benefits to Sumner which would make Clear Sky one of the largest Sumner taxpayers. Host communities to large projects with high taxable value, such as a grid-size wind power project, enjoy tangible benefits related to the taxes paid on these projects, and can select the manner in which the community wishes to enjoy those benefits. Some communities choose to use the new property taxes to reduce local property taxes.

We will structure payments so that there will be no ***Maine property tax offset***. There is a proven model that will be followed and has worked at several wind farms in Maine. We can structure a combination of property tax, royalty and community benefit components to maximize Sumner's return. A royalty or percentage of revenue will provide Sumner a financial upside that would increase with electricity prices.

Sumner will benefit through employment opportunities, the local purchase of materials and supplies. The community and surrounding areas can benefit through construction-related employment opportunities and the ancillary economic benefits of that construction activity. There will be the opportunity for direct jobs for activities such as tree clearing and excavation, and ancillary jobs in businesses that support construction such as lodging, restaurants, fuel, and concrete suppliers.

The addition of new power generation facilities in Maine will tend to lead to lower and less volatile electricity prices. This is particularly true in the case of the addition of renewable power facilities like wind projects. The price and reliability benefits of new renewable resources have been described by the Maine Public Utilities Commission (MPUC) as follows: The addition of diverse (non-gas) resources in Maine and elsewhere in the region will be beneficial for several reasons. As more non-gas generation is added to the mix, cheaper gas resources and non-gas resources will set the clearing prices in a greater number of hours. This would have the general effect of reducing both the level and volatility of electricity prices throughout the region. To the extent new generation is constructed within Maine's borders, the benefit to Maine consumers is more direct in that the result would be lower prices within the Maine zone.