



ALYRA RENEWABLE ENERGY FINANCE ADVISORS

Financial Markets and the Wind Power Sector

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Renewables and Energy Efficiency Conference
Seattle
August 11, 2005



An introduction to Alyra

Alyra assists clients in the renewable energy sector achieve competitive solutions in finance and strategy.

Recent Assignments

- Advising a client on entry strategies for the Canadian wind power market.
- Advising the U.S. Department of Energy on market based wind power economics.
- Advising a client on the development, structuring and implementation of an equity fund for wind power.
- Advised a major financial institution on tax equity structures in US wind power transactions.
- Advised Tenaska, a major power developer, on transaction structuring issues.
- Advised Clipper Windpower on potential joint venture and market development opportunities.
- Advised Invenergy, a major development company, on financing of a wind power project.
- Advised Jasper Energy on wind project financial structuring.

Scope of Services

- Financing strategy and execution
- Business strategy advisory
- Partnering/Joint Venture facilitation

Core Competencies

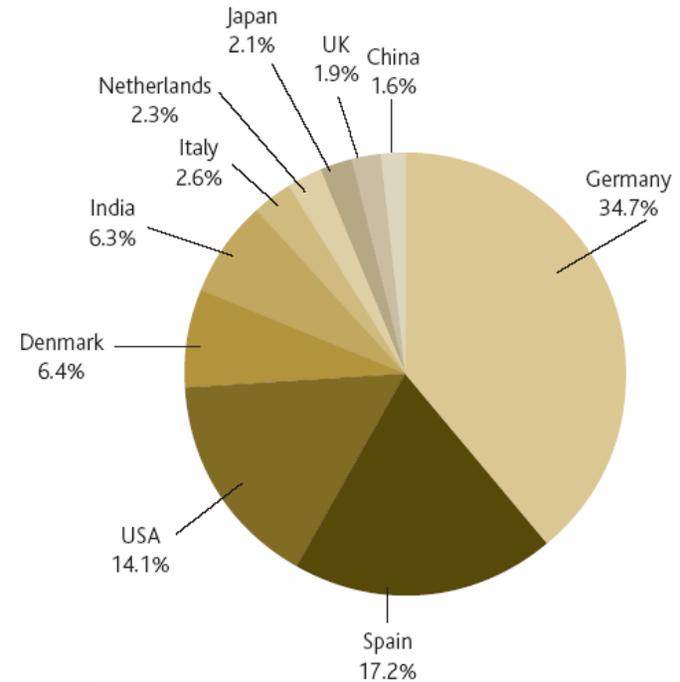
- Broad Renewable Finance Expertise
- Deep Knowledge of Markets
- Significant Wind Industry Network

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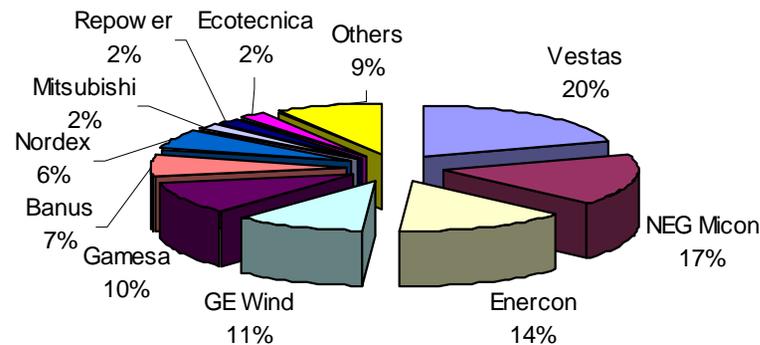


The global wind power market

- One of the strongest growth sectors in power generation.
- Major markets so far has been concentrated in a handful of Western European countries and the U.S.
- Market drivers vary, but generally tied to renewable energy incentives.
- Top four manufacturers of wind turbines hold majority of supply market share.



Turbine Vendor Share of Global Capacity 2003





The global wind power market -- growth outlook

- Next five years -- dramatic expansion in new markets.
 - Most market growth will be driven by central government mandates.
 - Projects will benefit from CDM credits under Kyoto Protocol.
 - Will affect the turbine manufacturing sector.

	Year end 2004	Future Targets
China	700 MW	20,000 MW by 2020
India	3,000 MW	12,000 MW by 2012
Australia	380 MW	5,000 MW by 2010
Canada	444 MW	10,000 MW by 2010



The financial market outlook in the U.S. wind power sector

- Categories of financial institutions active in the sector
 - Commercial banks
 - Investment banks
 - Insurance companies
 - Boutique investment firms
 - Hedge funds and private equity funds

- Critical factors for investors/financial sectors
 - Turbine availability and price volatility
 - Market size and long-term economic viability
 - Regulatory uncertainty
 - Tax structure

- Outlook of financial market activity in the sector
 - Significant interest - driven by increased sector visibility and decline of other investment markets
 - Consolidation play - opportunities at various stages of the value chain



A new financing structure -- All-Equity Financings

- An innovative financing solution.
- More importantly, a smart risk mitigation structure.
- Tax investors trading lower return for lower risk.
- Minimum gain chargebacks - an example.
- The most efficient way to manage a substantial tax chargeback risk.
- Introduces some competition in the equity sources.



Alyra Renewable Energy Finance Advisors

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Alyra was founded in January 2004 by Mohammed Alam, following his energy banking career with Fortis Capital Corp., where he led a range of origination, structuring and restructuring of renewable and conventional power transactions. Before Fortis he worked at GE Capital's Capital Markets Group, focusing on structuring and advisory activities in the Latin American power and infrastructure sectors. Earlier, he started his finance career at Brown Brothers Harriman, focusing on emerging markets research. Mr. Alam holds a Master's in Public and Private Management degree, with scholastic excellence award, from the Yale School of Management and a BS, summa cum laude, in International Management and Finance from the University of Massachusetts. Mr. Alam has been invited as speaker at international energy conferences and he authored articles for leading energy publications.

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