



Wind Development in Montana



Wind Development on School Trust Lands: Working with Montana DNRC

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Agenda

- Horizon Wind Energy
- About Wind Projects
- Wind Development in Montana
- The Martinsdale Wind Farm: Working with Montana DNRC

Who Is Horizon Wind Energy?

Track record of successful projects

Horizon Wind Energy's business model is to develop, construct, own and operate wind farms throughout North America.

Horizon has developed over 3400 MW of wind farms and currently operates over 2800 MW.

Top-tier company

Horizon is owned by EDP Renewables ("EDPR"), a global leader in the renewable energy sector.

Energias de Portugal, S.A. ("EDP"), the parent company of EDPR, is a vertically-integrated utility company, head quartered in Lisbon, Portugal.

Expertise to get the job done right

We've grown to over 300 employees with corporate headquarters in Houston, TX and Western Region headquarters in Portland, OR.

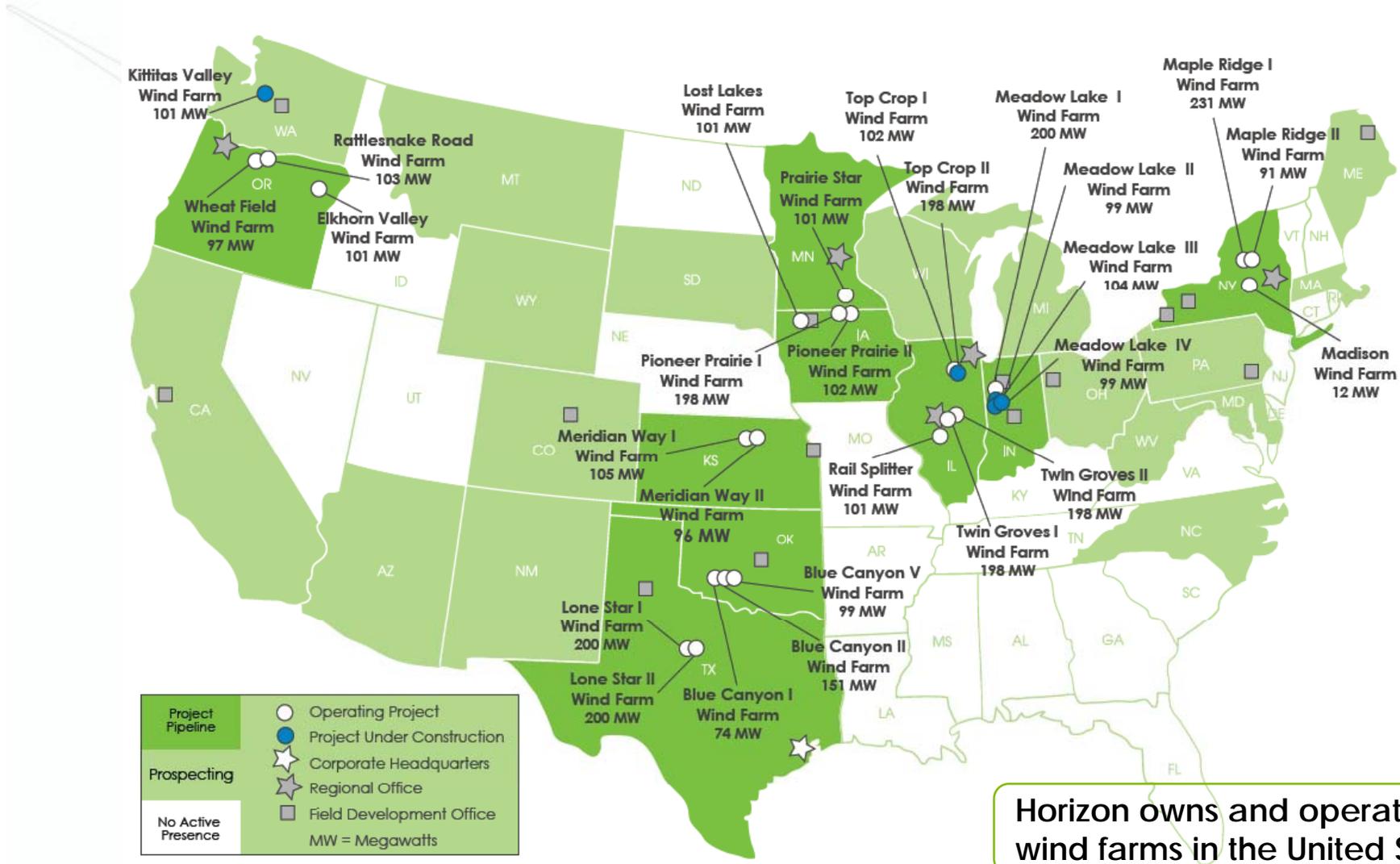
High quality values

- Respect for landowners and the land
- Respect for the environment
- Respect for the community



Elk at the operating Elkhorn project in Union, Oregon

Horizon Wind Energy Geographical Presence



Horizon owns and operates 22 wind farms in the United States.

What is a Wind Project?

Turbines

Wind turbines convert the kinetic energy of the wind into electrical energy

The Operations & Maintenance Facility stores spare parts and houses the SCADA computer system.

O&M Building

Substation

The collection lines meet at the Substation Transformer
An overhead transmission line connects the wind farm to the electricity grid

Roads and electrical collection

Turbines ranging in size from 1.5MW to 3MW (powering between 450-900 American homes) are connected electrically by underground collection lines

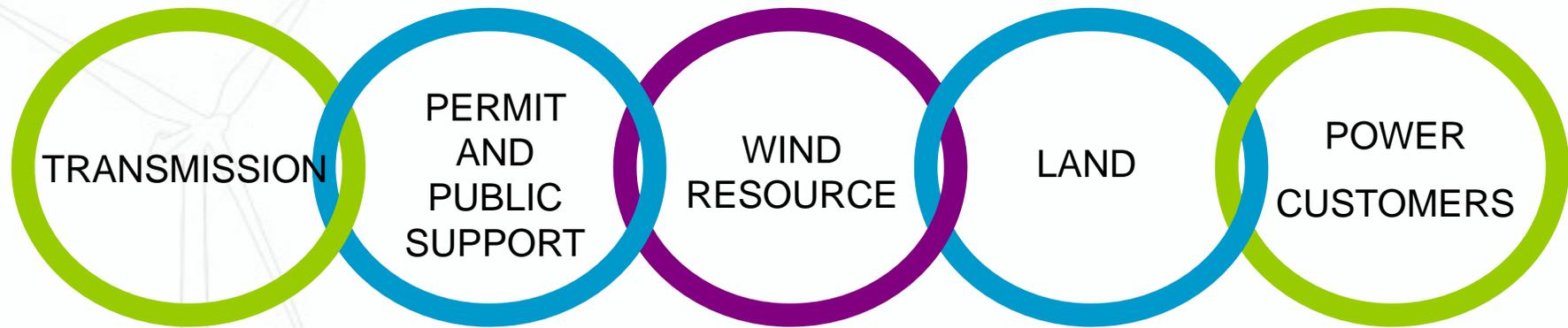
Picture taken at Horizon's Top of Iowa Wind Farm

What is a Wind Project?



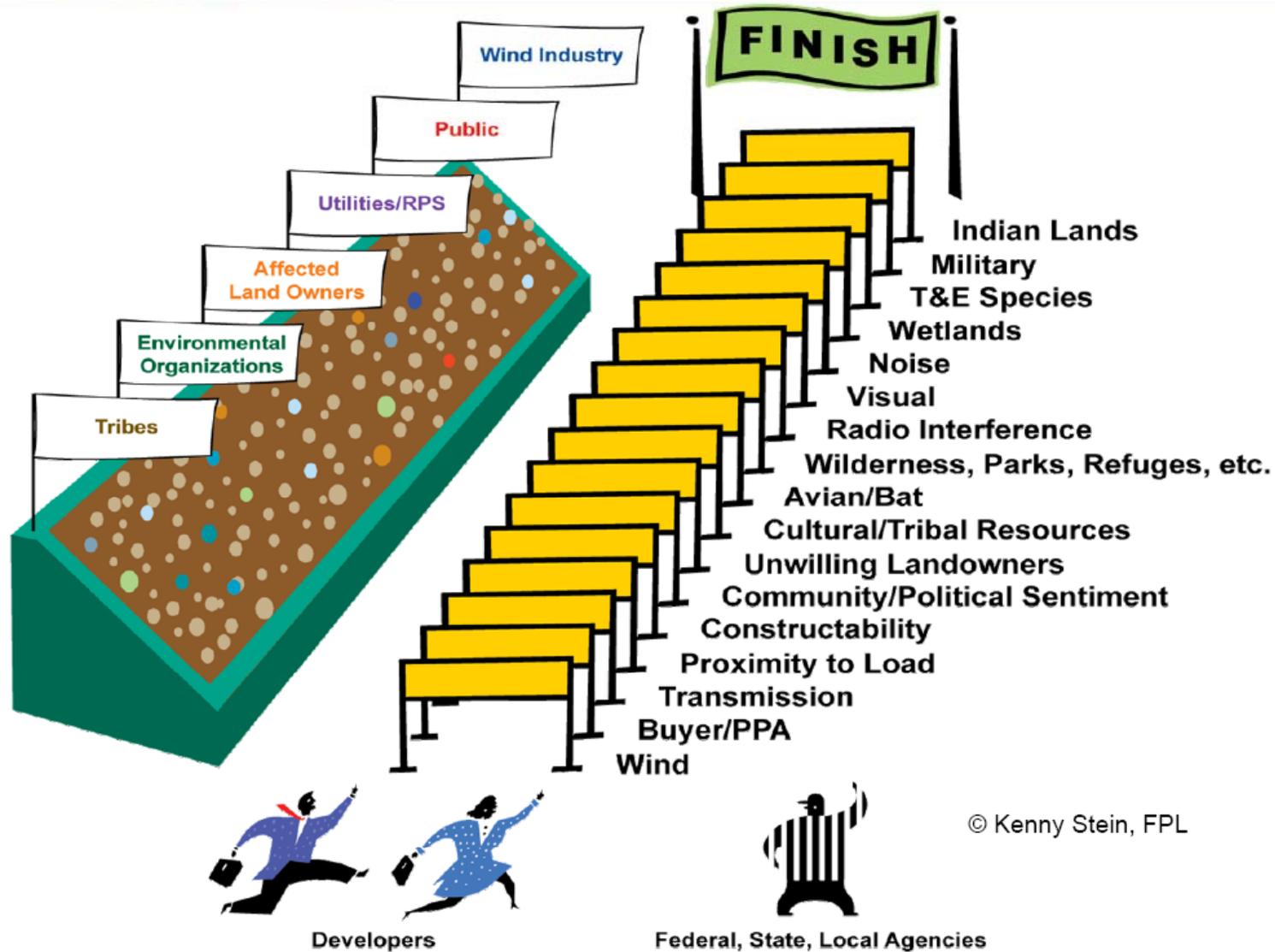
- Wind projects have a small footprint – typically < 5% of the entire project area
- Compatible use with ranching, grazing, farming, etc.
- Land is leased from landowners
- Preserves open spaces by providing additional income to family farms and ranches

Critical Elements for Successful Wind Projects



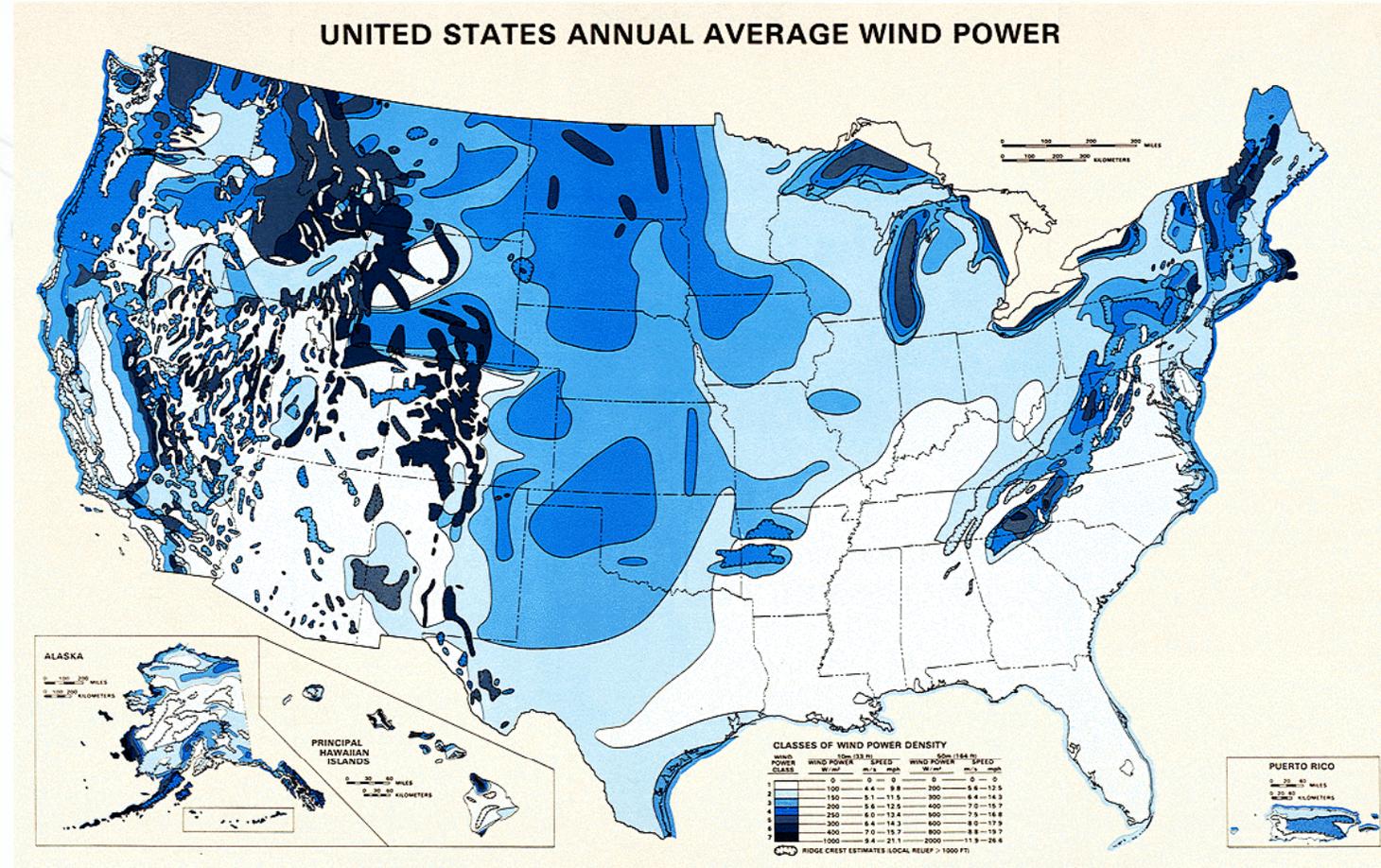
- Need 5 key elements to make a wind power project

What We Do



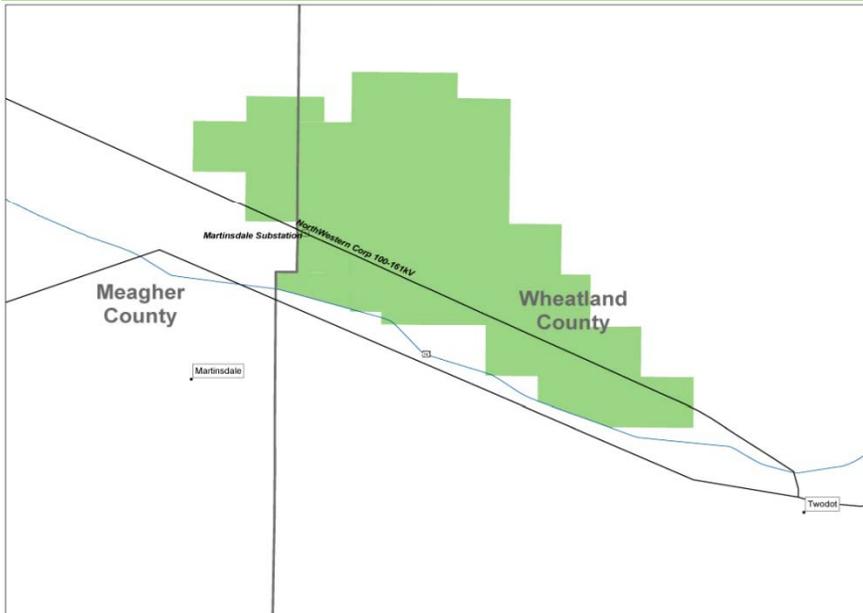
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Why Montana?



Montana ranks 3rd for wind energy potential

Martinsdale Wind Farm



- Size: 300 MW (multi-phased)
- Location: Meagher & Wheatland
- Land Use: Ranching and hunting
- Met Towers: Since 9/2004
- Interconnection: Executed Agreement with NorthWestern Energy
- Acreage: 18,500 acres of private and public land
2,500 acres MT School Trust Lands

MEPA Compliance

- A decision by the state to grant an applicant a lease requires a Montana Environmental Policy Act (MEPA) review of possible impacts of the proposal
- The policy requires state agencies to consider the environmental, social, cultural and economic impacts of development proposals before they are approved
- This includes a written environmental review that is available to the public
- DNRC participated in the MEPA process by preparing an EIS for the Martinsdale Wind Farm

Working with MT DNRC

Process for developing wind projects on school trust lands:

- Formal request was made to DNRC for wind development on school trust lands
- DNRC granted a Land Use License (LUL) for rights to erect wind anemometers and collect data
- DNRC released a Request for Proposals (RFP) and competitively bid the parcels for exclusive rights for wind development
- RFP is 3-phased: As winning bidder, Horizon secured those exclusive rights on the school trust lands (Phase 1)
- DNRC released an RFP for study work required for the EIS
- DNRC, Horizon Wind Energy, and selected consultant, TetraTech, signed Memorandum of Understanding (MOU) for EIS work

Working with MT DNRC: EIS

- The State analyzed three scenarios in the EIS (Phase 2):
 - No Action- no development on school trust lands
 - Proposed Action- development on school trust lands, including wind turbines, roads and power lines
 - Alternative Action- development on school trust lands including roads and power lines (excluding wind turbines)
- Issues Studied in Detail:

Soil Resources	Land Use and Vegetation
Wildlife	Visual Resources
Noise	Economic Benefits and Expected Revenues
Aviation	Historical and Archeological Sites

Working with MT DNRC: EIS

- Draft Environmental Impact Statement (DEIS) underwent public review period and received approval from state agencies with local government
- DNRC issued Record of Decision (ROD)
- DEIS adopted as the Final Environmental Impact Statement (FEIS) since to no new scientific analyses were deemed necessary for completion
- Next step is to execute the wind lease agreement (Phase 3)

Working with MT DNRC: In the Future

Developing wind projects is important to the people of Montana:

- Wind brings new industry and significant economic development
- Increases utilization of Montana's vast natural resources
- Creates homegrown energy and increases the nation's energy independence
- Creates jobs in the renewable energy economy
- Helps Montana achieve renewable goals in the State Energy Policy

With over 5.1 million surface acres of school trust lands in Montana, partnerships with the DNRC on development of that land will continue to play a critical role in helping Montana achieve its wind energy potential. Wind energy development on school trust lands also brings in new revenue streams to the state.

Q & A



Questions later? Contact:

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