



## **FOR IMMEDIATE RELEASE**

Contact Information:

Bill Collet 816-595-1180 [bcollet@colletassociates.com](mailto:bcollet@colletassociates.com)

Mark Hellevang 816-595-1180 [mhellevang@colletassociates.com](mailto:mhellevang@colletassociates.com)

### **Collet & Associates Advises Electric Cooperatives on Portfolio of Renewable Projects**

Kansas City, Missouri, August 29, 2011. Collet & Associates is pleased to announce that electric cooperatives utilized its financial advisory services in the acquisition of a 150 Megawatt (MW) portfolio of renewable energy projects. The projects span multiple electric cooperative clients, are located from Hawaii to the East Coast, and utilize both Power Purchase Agreements and direct ownership of the renewable energy output.

Bill Collet, President of Collet & Associates, commented, “We are pleased that the portfolio of thirteen separate projects span the gamut of renewable energy technologies including 78 MW of wind energy, 7 MW of biomass fired-generation, 30 MW of solar photovoltaic (PV) systems, and 28 MW of low-impact, run of the river hydropower projects. Each of the cooperative-owned projects utilizes an innovative structure and financing vehicle we developed two years ago to allow not-for-profit electric cooperatives to utilize the Section 1603 tax grant incentive program used by for-profit developers as a part of the American Recovery and Reinvestment Act of 2009.”

In 2010, Collet & Associates advised Golden Spread Electric Cooperative (Amarillo, Texas) on the acquisition of a wind project under development by Cielo Wind Energy. Following the acquisition,

Golden Spread began construction of the 78 MW Panhandle Wind Ranch utilizing 34 Siemens 2.3-101 turbines at a 7000 acre site in the Caprock Escarpment west of Amarillo. The project is located in one of the best wind resource areas in the country and is nearing completion.

In January, Collet & Associates negotiated a Power Purchase Agreement (PPA) on behalf of Kaua'i Island Utility Cooperative (KIUC) for an approximately 7 MW biomass-fired generation facility to be constructed near Koloa on Kaua'i. According to KIUC President and CEO David Bissell, the firm capacity and energy project "would be a key part of Kaua'i's renewable energy future." The project is expected to commence construction late in 2011 with an in-service date in 2013.

Collet commented, "The Green Energy Team project is innovative in its use of short rotation woody biomass crops as a fuel source. Dealing with Standardkessel Baumgarte Contracting GmbH, a well established West German biomass project development and construction company, was interesting in that Europe is way ahead of the U.S. in the use of biomass and municipal solid waste as a fuel source for electric power and industrial steam generation."

With respect to solar PV generation, Collet and Associates advised KIUC on two projects contracted under PPAs, one of which is in service and the other entering the construction phase. The two projects total 4 MW of capacity and use fixed-tilt polycrystalline solar panels at sites in Kapa'a and Koloa.

In January, KIUC announced the largest solar PV project ever in Hawaii under a PPA with a subsidiary of Alexander & Baldwin (NYSE:ALEX), a large landowner and developer in Hawaii with diversified operations in sugarcane production and shipping. The project will be a 6 MW solar facility adjacent to KIUC's Port Allen Generating Station and utilize an integrated Battery Energy Storage System (BESS) to provide for system stability during varying sun conditions. KIUC has recently embarked on a 10 MW solar PV project and integrated BESS facility development effort for a project to utilize the Collet & Associates designed ownership and financing structure.

Collet said, "The KIUC solar PV portfolio is noteworthy in that the solar project portfolio totals over 20 MW for a system with a peak demand of approximately 76 MW. The portfolio will represent the highest solar percentage of peak demand of any electric utility in the world. Furthermore, KIUC is using a groundbreaking integration of BESS to allow for high concentrations of solar PV generation on a circuit by circuit basis while still maintaining system stability and allowing solar energy to be dispatched through the early evening peak demand hours."

Also on the solar PV front, Collet & Associates is engaged with the National Renewables Cooperative Organization (NRCO) on an approximately 5 MW solar PV facility to be built and owned by Southern Maryland Electric Cooperative. NRCO ([www.renewable.coop](http://www.renewable.coop)) was created three years ago to serve as a central clearinghouse for renewable project expertise in both the development of owned renewable projects and the negotiation of PPAs for its 24 members, which comprise the largest generation & transmission and large unaffiliated distribution cooperative systems in the country.

Last fall, Collet & Associates assisted KIUC with the evaluation of the potential for low-impact hydropower project development on Kaua'i, where the Mt. Wai'ale'ale volcano is generally regarded as being one of the wettest places on Earth. Collet commented, "Low impact hydropower development makes absolute sense for Kaua'i because it utilizes the abundant natural resource of plentiful and

consistent rainfall combined with the existing network of ditches, flumes and tunnels that were built over 100 years ago to divert runoff into a complex irrigation system for the sugar plantations. KIUC's hydropower strategy is to pursue a portfolio of projects to upgrade and expand the irrigation infrastructure and transforms Kaua'i's agriculture economy from the reliance on sugar plantations, which have now all shut down, to diversified agribusiness while providing cheap, clean renewable energy from projects that will benefit residents for generations to come".

Collet & Associates initiated negotiations for a Development Services Agreement with Boston-based Free Flow Power Corporation (FFP), one of the most experienced hydropower developers in the U.S. with a focus on small and large hydropower development and hydrokinetic electric generation from river and tidal flows. The agreement was signed in March. As a part of the development services, FFP has identified six project locations on which preliminary permits were filed for development rights with the Federal Energy Regulatory Commission (FERC). Several other projects are under evaluation.

The six FERC preliminary permits, four of which have been issued, have initial designs totaling over 28 MW of hydropower and range in size from 2 MW to 7.7 MW. The projects do not use dams to impound water. The diversions take existing stream flow out of the ditches used for irrigation, pipe the water to a powerhouse using a penstock, and return the water to the stream or ditch system for irrigation purposes. Collet said, "Hydropower has been a mainstay on Kaua'i for over 100 years as most of the plantations were powered by the eight small hydropower facilities which still operate today. Several developers have talked about new projects for decades, but no project has ever come to fruition for a variety of financing and permitting reasons. KIUC should be commended for its efforts to bring new hydropower projects to the forefront, and it will be interesting over the next couple of years to see if these projects can be permitted and built to provide a legacy to future generations."

Collet commented, "It has been both exciting and fun to be involved with as large a number and diverse a portfolio of renewable projects over the last year. It has been our privilege to serve as financial advisor to electric cooperatives as they make a meaningful investment in renewable energy technologies."

Collet & Associates

Bill Collet – bcollet@colletassociates.com

Mark Hellevang – mhellevang@colletassociates.com

(816) 595 – 1180 Kansas City Office

[www.colletassociates.com](http://www.colletassociates.com)