

3.0 FINANCIAL CAPACITY

3.1 ESTIMATED PROJECT COSTS

Blue Sky West, LLC and Blue Sky West II, LLC are the Bingham Wind Project (project) Applicants.¹ The total cost of the project is expected to be approximately \$400 million, categorized as follows:

| Category | Amount (\$ million) |
|--------------------------------------|---------------------|
| Turbines and Foundations* | 246 |
| Transportation* | 14 |
| Turbine installation cost* | 13 |
| Roads* | 19 |
| Electrical collector system* | 22 |
| Substation* | 11 |
| Generator Lead and Interconnection** | 40 |
| Other construction costs | 33 |
| Total | 398 |

*Component of Blue Sky West, LLC project.

**Component of Blue Sky West II, LLC project.

3.2 PROJECT STRUCTURE AND FINANCING

The conventions of project financing require that a project be owned by a single purpose entity. Both Blue Sky West, LLC and Blue Sky West II, LLC are wholly owned subsidiaries of First Wind Maine Holdings, LLC, which in turn is a wholly-owned subsidiary of First Wind Holdings, LLC (First Wind). Paul Gaynor is the President or Chief Executive Officer of all four companies. As described in Exhibit 3A, First Wind has a demonstrated track record of successfully financing wind power projects throughout the country and in Maine. In addition, a consolidated balance sheet for First Wind and its subsidiaries is included as Exhibit 3B, and demonstrates that First Wind has in excess of \$2.1 billion in assets.

The final construction financing structure, including specifically the allocation between equity and debt portions of funding, will be determined closer to actual construction and will be based on market conditions at that time. To date, First Wind has successfully financed four grid-scale projects in Maine and many outside of Maine. Each Maine project utilized a combination of First Wind equity and third-party debt financing to fund construction. Consistent with how it has structured construction financing for other First Wind projects, the Applicants expect that the majority of construction financing will be provided by third-party debt and/or tax equity financing, and a smaller portion (typically in the range of 20-30%) will be funded with First Wind equity. As reflected in Exhibit 3A, RBS Securities, Inc. is one, but certainly not the only, possible source for the debt portion of the construction financing.

¹ Blue Sky West, LLC is the wind energy project entity; Blue Sky West II, LLC is the electrical generator lead entity.

On June 15, 2012, First Wind and Emera Inc. announced the closing of their transaction to jointly own and operate wind energy projects in the Northeast U.S. Through this transaction, Emera invested \$211 million to acquire a 49% equity interest in First Wind's 385 megawatt (MW) portfolio of operating wind energy projects in the Northeast. The Joint Venture with Emera provides First Wind with a dependable and attractively-priced source of equity capital, and strengthens its ability build, finance and operate new wind energy projects. The construction financing for Maine projects does not require and is not expected to utilize equity contribution from the Emera, Inc. Joint Venture.

3.2.1 First Wind Background

First Wind (www.firstwind.com) is an independent wind energy company exclusively focused on the development, financing, construction, ownership, and operation of utility-scale wind projects in the United States.

First Wind's strategy since inception in 2002 has been to build a company with the ability to develop, own, and operate a portfolio of wind energy projects in favorable markets. Its team of approximately 200 employees has broad experience in wind project development, transmission line development, meteorology, engineering, permitting, construction, finance, law, asset management, maintenance, and operations. It has established land control, stakeholder relationships, meteorological programs, and community initiatives, and has developed transmission solutions in the markets in which it focuses.

First Wind currently operates 16 wind energy projects across the country with a generating capacity of 980 MW, and as reflected in the attached balance sheet, has assets in excess of \$2.1 billion. First Wind is providing the initial equity for development of the project and, as described more fully in its letter of financial support in Exhibit 3A, has the financial and technical resources and ability to finance the construction and operation of the project.

3.3 CERTIFICATE OF GOOD STANDING

The Applicants are Delaware corporations with a presence in Maine. Exhibit 3C is information from the Maine Secretary of State and the Delaware Secretary of State demonstrating that the corporations are in good standing.

Exhibit 3A: Letters of Financing Commitment

FirstWind Holdings, LLC

RBS Securities Inc.



April 12, 2013

Ms. Patricia W. Aho
Maine Department of Environmental Protection
17 State House Station
28 Tyson Drive
Augusta, Maine 04333-0017

Re: *Financial Support for Bingham Wind Project*

Dear Commissioner Aho:

This letter is to provide evidence of the commitment and ability of First Wind Holdings, LLC (“First Wind”) to fund the permitting, installation and operation of the approximately \$400 Million Bingham Wind Project (the “Project”), to be located in Mayfield Township, Kingsbury Plantation, Moscow, Parkman, Abbot, and Bingham, in Somerset and Piscataquis Counties, Maine, and proposed by Blue Sky West, LLC and Blue Sky West II, LLC (collectively, the “Applicants”).

Applicants are wholly-owned project subsidiaries of First Wind and were formed to develop, finance, construct, own and operate the Project. First Wind is funding the development of the Project through these subsidiaries. First Wind is dedicated to the business of financing, constructing and operating wind power projects in Maine. First Wind has a proven track-record of financing the construction and operation of wind energy projects. First Wind currently operates sixteen wind energy projects across the country, with a generating capacity of 980 megawatts (MW), and has assets in excess of \$2 billion. Since 2004, First Wind has raised over \$7 billion including project debt financings, tax equity, corporate financings and government grants. Specific examples include the following:

- In 2006, a member of D.E. Shaw group and an affiliate of Madison Dearborn Partners each made a significant investment in First Wind. The D.E. Shaw group is a specialized investment and technology development firm and Madison Dearborn Partners is a private equity management firm focusing on investments in basic industries, energy and power, communications, consumer, financial services and health care.
- In 2006, First Wind, through an affiliate company, financed and constructed the Mars Hill wind energy project located in Mars Hill, Maine. Approximately \$22 million of the construction costs went to Maine firms and local spending. The Mars Hill wind energy project is a 42 MW facility consisting of 28 wind turbines and commenced commercial operations in March, 2007.

- In 2008, First Wind, through an affiliate company, financed and began construction of the first phase of the Stetson wind energy project located in Washington County, Maine (“Stetson”). An estimated \$50 million of the construction costs was spent on Maine firms and local spending. Stetson is a 57 MW facility consisting of 38 wind turbines and became fully operational in January, 2009.
- In 2009, First Wind, through an affiliate company, financed and began construction of the Stetson II wind energy project located in Washington County, Maine (“Stetson II”). An estimated \$23 million of the construction costs was spent on Maine firms and local spending. Stetson II is a 25.5 MW facility consisting of 17 wind turbines and became fully operational in March, 2010.
- In December, 2010, First Wind, through an affiliate company, financed and began construction of the Rollins wind energy project located in Penobscot County, Maine (“Rollins”). Rollins is a 60 MW facility consisting of 40 wind turbines and became fully operational in 2011.
- In December, 2010, First Wind, through an affiliate company, closed a \$71.3 million construction loan and a \$4.5 million letter of credit facility for the Sheffield Wind project located in Sheffield, Vermont (“Sheffield”). Sheffield is a 40 MW facility consisting of 16 wind turbines that became fully operational in 2011.
- In April 2012, First Wind, through an affiliate company, entered into a financing agreement for a construction loan, a cash grant bridge loan and a letter of credit facility in the aggregate amount of \$76.1 million for the Bull Hill Wind project located in Bull Hill, Maine (“Bull Hill”). Additionally, First Wind, through an affiliate company, arranged term financing through a \$95.2 million sale-leaseback agreement. Bull Hill is a 34.5 MW facility consisting of 19 wind turbines and became fully operational in October 2012.
- In July 2012, First Wind Holdings, LLC and Emera Inc. closed on their transaction to jointly own and operate wind energy projects in the Northeast U.S. through a new company called Northeast Wind Partners. Emera invested a total of \$211 million to acquire 49 percent of Northeast Wind Partners. In addition, Emera made a \$150 million loan to an intermediate subsidiary company of Northeast Wind Partners, which will be repaid in five years. Emera financed the transaction through existing credit facilities. First Wind’s 385 MW portfolio of wind energy projects in the Northeast U.S., including eight operating projects in three states were transferred to Northeast Wind Partners. First Wind retains 51 percent and Emera now owns 49 percent of the new company. First Wind serves as the managing partner and continues to operate the wind energy projects. Emera affiliate Emera Energy Services provides energy management services. First Wind exclusively manages the development business and, as such, continues to develop new wind projects in the Northeast. Once these projects meet certain eligibility criteria,

Ms. Patricia Aho
Maine Department of Environmental Protection
April 12, 2013
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First Wind has the ability to transfer up to an additional 1,200 MW of new projects into the new joint venture. The completion of the joint venture could lead to up to \$3 billion in future economic investment in the region in the coming years. The transaction received unanimous approval from the Maine Public Utilities Commission in May of last year.

The foregoing should provide sufficient information about First Wind's experience and activities in wind energy and about First Wind's ability to finance the Project. However, please let me know if you require any additional information about First Wind, the Project or our plans for wind energy development in the State of Maine.

Sincerely,



Michael U. Alvarez
President and Chief Financial Officer



Mr. Kevin Feldman
First Wind Holdings, LLC
179 Lincoln Street, Suite 500
Boston, MA 02111

RE: First Wind – Blue Sky West

April 2, 2013

Dear Mr. Feldman,

First Wind Holdings, LLC (the “Company”) has informed RBS Securities Inc. (RBS) that it intends to develop and construct a wind power project with up to 191MW nameplate capacity to be located in Somerset and Piscataquis counties, Maine, proposed by Blue Sky West, LLC and Blue Sky West II, LLC (collectively referred to as “Blue Sky West” or the “Project”).

Based on our experience in providing construction and long term financing for wind energy projects and our familiarity with the financial markets generally, we are confident that, assuming the Company can (1) demonstrate the operational and engineering feasibility of its project, (2) obtain power purchase agreements from credit worthy counterparties at competitive rates, and (3) can employ appropriate equipment for the project, the Company will be able to obtain financing on market terms and conditions sufficient to cover development costs, construction financing, and other financing as necessary for the Project to reach commercial operation. Once these Project issues are addressed, we would enter into negotiations to provide a Summary of Terms and Conditions offering financing for the Project not to exceed an appropriate loan to value.

RBS is one of the most active banks in North America in the financing of independent power projects with an in depth understanding of investor demand and appetite in the loan and capital markets used to finance non-recourse power projects. RBS has acted as Lead Arranger and Bookrunner on more than \$10BN in US non-recourse financings over the last 24 months. Most recently, RBS acted as:

- Joint Placement Agent / Ratings Advisor to EverPower on the Mustang Hills (fka Alta VI) \$245MM private placement issuance, the most recent renewables private placement issuance
- Joint Lead Arranger / Bookrunner to Terra-Gen on their \$650MM financing of the Alta 7 & 9 wind projects. RBS brought in a number of new lenders to the syndicate, despite challenging market conditions, for a relatively large transaction, with RBS providing a significant anchor commitment
- Joint Lead Arranger / Bookrunner on MidAmerican Energy’s 550MW Topaz Solar Farms LLC financing (\$850MM bond plus \$345MM LC’s); this is currently the largest solar power transaction executed into the bond market
- Joint Lead Arranger / Bookrunner on two of the largest recent California thermal transactions, including a \$795MM bank financing for CPV Sentinel and a \$688MM bank for NRG El Segundo
- Joint Bookrunner and Placement Agent on the \$1.4BN Shepherds Flat construction financing, which is the largest U.S. wind construction financing executed to date

This letter is for discussion purposes only, and is not an offer of financing or any commitment on our part, nor is it intended to be legally binding or to give rise to any legal or fiduciary relationship between RBS or its affiliates and any other person. Such a commitment, if any, will be delivered upon receipt of all requisite internal approvals and completion of due diligence.

You agree that you will not and you will procure that none of your subsidiaries will, without our prior written consent, disclose the contents of this letter or its existence to any person except, on a

confidential basis, your employees and your legal or financial advisers and to the Company's shareholders and its legal or financial advisers in each case, who have a need to know this information and who are made aware of the contents of this paragraph prior to such information being disclosed to them. You may make any disclosure required under applicable law or regulation. RBS hereby consents to your disclosure of this letter to the Maine Department of Environmental Protection.

We hope that this letter demonstrates the high regard that RBS has for the Company's management and our confidence in the Company's ability to obtain financing for the Project.

Sincerely,

RBS Securities Inc.

A handwritten signature in black ink, appearing to read "Orhan Sarayli". The signature is written in a cursive style with a large, stylized initial "O".

By:

Name: Orhan Sarayli

Title: Director

Exhibit 3B: Consolidated Balance Sheet

First Wind Holdings, LLC and Subsidiaries
Consolidated Balance Sheets
(in thousands)

| | December 31, | |
|--|--------------|--------------|
| | 2011 | 2012 |
| Assets | | |
| Current assets: | | |
| Cash and cash equivalents | \$ 14,975 | \$ 48,398 |
| Restricted cash | 79,887 | 119,029 |
| Accounts receivable | 15,116 | 16,694 |
| ARRA grant receivable | 88,395 | - |
| Prepaid expenses and other current assets | 8,654 | 8,684 |
| Derivative assets | 12,332 | 11,913 |
| Total current assets | 219,359 | 204,718 |
| Long-term portion of restricted cash | 30,028 | - |
| Property, plant and equipment, net | 1,258,518 | 1,804,060 |
| Construction in progress | 148,614 | 3,209 |
| Turbine deposits | 179,028 | - |
| Long-term portion of ARRA grant | 35,915 | - |
| Long-term derivative assets | 50,405 | 52,643 |
| Other non-current assets, net | 35,772 | 41,889 |
| Deferred financing costs, net of accumulated amortization of \$38,911 and \$23,244, respectively ... | 39,049 | 31,182 |
| Total assets | \$ 1,996,688 | \$ 2,137,701 |
| Liabilities and Capital | | |
| Current liabilities: | | |
| Accrued capital expenditures and turbine deposits | \$ 23,452 | \$ 11,612 |
| Accounts payable and accrued expenses | 26,173 | 38,932 |
| Current portion of derivative liabilities | 6,504 | 13,315 |
| Current portion of long-term debt | 125,069 | 118,254 |
| Current portion of deferred revenue | 20,857 | 21,069 |
| Total current liabilities | 202,055 | 203,182 |
| Long-term derivative liabilities | 13,743 | 24,475 |
| Long-term debt, net of current portion | 631,172 | 938,558 |
| Deferred revenue | 358,352 | 338,718 |
| Other long-term liabilities | 28,545 | 2,686 |
| Asset retirement obligations | 14,504 | 17,794 |
| Total liabilities | 1,248,371 | 1,525,413 |
| Capital: | | |
| Members' capital | 850,952 | 771,429 |
| Accumulated deficit | (389,348) | (612,006) |
| Total members' capital | 461,604 | 159,423 |
| Noncontrolling interests in subsidiaries | 286,713 | 452,865 |
| Total capital | 748,317 | 612,288 |
| Total liabilities and capital | \$ 1,996,688 | \$ 2,137,701 |

Exhibit 3C: Certificates of Good Standing

Blue Sky West, LLC – State of Maine

Blue Sky West, LLC – State of Delaware

Blue Sky West II, LLC – State of Maine

Blue Sky West II, LLC – State of Maine

State of Maine



Department of the Secretary of State

I, the Secretary of State of Maine, certify that according to the provisions of the Constitution and Laws of the State of Maine, the Department of the Secretary of State is the legal custodian of the Great Seal of the State of Maine which is hereunto affixed and of the reports of qualification of foreign limited liability companies in this State and annual reports filed by the same.

I further certify that BLUE SKY WEST, LLC, a DELAWARE limited liability company, is a duly qualified foreign limited liability company under the laws of the State of Maine and that the application for authority to transact business in this State was filed on May 17, 2010.

I further certify that said foreign limited liability company has filed annual reports due to this Department, and that no action is now pending by or on behalf of the State of Maine to forfeit the authority to transact business in this State and that according to the records in the Department of the Secretary of State, said foreign limited liability company is a legally existing limited liability company in good standing under the laws of the State of Maine at the present time.

In testimony whereof, I have caused the Great Seal of the State of Maine to be hereunto affixed. Given under my hand at Augusta, Maine, this twenty-seventh day of March 2013.

A handwritten signature in black ink, appearing to read 'Matthew Dunlap', written over a horizontal line.

Matthew Dunlap
Secretary of State

Delaware

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The First State

I, JEFFREY W. BULLOCK, SECRETARY OF STATE OF THE STATE OF DELAWARE, DO HEREBY CERTIFY "BLUE SKY WEST, LLC" IS DULY FORMED UNDER THE LAWS OF THE STATE OF DELAWARE AND IS IN GOOD STANDING AND HAS A LEGAL EXISTENCE SO FAR AS THE RECORDS OF THIS OFFICE SHOW, AS OF THE TWENTY-SEVENTH DAY OF MARCH, A.D. 2013.

AND I DO HEREBY FURTHER CERTIFY THAT THE ANNUAL TAXES HAVE BEEN PAID TO DATE.

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130362833




Jeffrey W. Bullock, Secretary of State
AUTHENTICATION: 0315616

DATE: 03-27-13

State of Maine



Department of the Secretary of State

I, the Secretary of State of Maine, certify that according to the provisions of the Constitution and Laws of the State of Maine, the Department of the Secretary of State is the legal custodian of the Great Seal of the State of Maine which is hereunto affixed and of the reports of qualification of foreign limited liability companies in this State and annual reports filed by the same.

I further certify that BLUE SKY WEST II, LLC, a DELAWARE limited liability company, is a duly qualified foreign limited liability company under the laws of the State of Maine and that the application for authority to transact business in this State was filed on December 17, 2010.

I further certify that said foreign limited liability company has filed annual reports due to this Department, and that no action is now pending by or on behalf of the State of Maine to forfeit the authority to transact business in this State and that according to the records in the Department of the Secretary of State, said foreign limited liability company is a legally existing limited liability company in good standing under the laws of the State of Maine at the present time.

In testimony whereof, I have caused the Great Seal of the State of Maine to be hereunto affixed. Given under my hand at Augusta, Maine, this twenty-seventh day of March 2013.

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Matthew Dunlap
Secretary of State

Delaware

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The First State

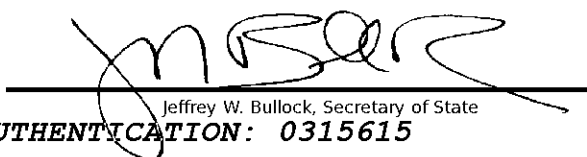
I, JEFFREY W. BULLOCK, SECRETARY OF STATE OF THE STATE OF DELAWARE, DO HEREBY CERTIFY "BLUE SKY WEST II, LLC" IS DULY FORMED UNDER THE LAWS OF THE STATE OF DELAWARE AND IS IN GOOD STANDING AND HAS A LEGAL EXISTENCE SO FAR AS THE RECORDS OF THIS OFFICE SHOW, AS OF THE TWENTY-SEVENTH DAY OF MARCH, A.D. 2013.

AND I DO HEREBY FURTHER CERTIFY THAT THE ANNUAL TAXES HAVE BEEN PAID TO DATE.

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Jeffrey W. Bullock, Secretary of State
AUTHENTICATION: 0315615

DATE: 03-27-13