

Windstorm Power Company
Wind Turbine Farm

Financial Model

100 MW Wind Turbine Farm

280 GWh of Electricity per year
 Operational by January 01, 2005

\$US 56,200,000 Equity (20.0 million shares @ \$US 2.81/share)
 \$US 37,430,000 Debt

\$US 93,630,000 Total Capital Required

Figure 1.1 Nordex N80 2.5 MW turbine
 80m Tower
 80m Rotor Diameter

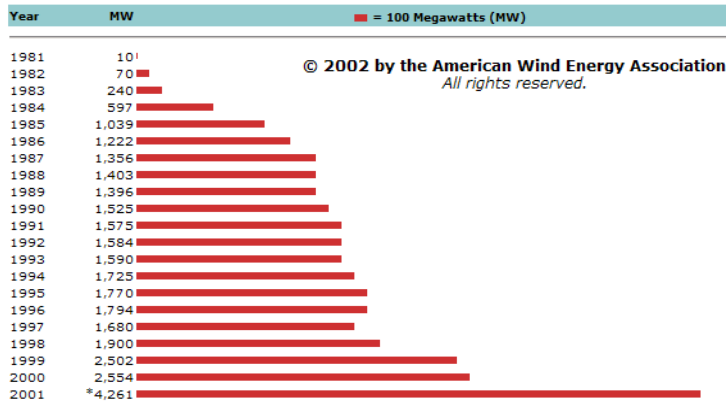


Figure 1.2 Havoygavlen Wind Park - Masoy, Norway
 16 installed Nordex N80 2.5 MW wind turbines
 (construction began Apr 2002, completed Oct 2002)



With an average wind speed of more than 9 m/s, the wind park has a capacity of 40 megawatts and will generate up to 120 GWh of electricity per year. Havoygavlen is the world's northernmost wind park (71° N latitude), located roughly 100 kilometers south of the North Cape, Norway. The turbines include Nordex's "Power Crane System" for offshore units, allowing all main components to be replaced without the assistance of an external crane.

Figure 1.3 U.S. Installed Wind Power Capacity 1981-2001



Sources: U.S. Department of Energy Wind Energy Program & AWEA

Wind Energy Links

- [Nordex](#)
- [Danish Wind Industry Association](#)
- [American Wind Energy Association](#)
- [The UK Wind Energy Association - Offshore](#)
- [GPCO \(creator of the RETScreen model\)](#)
- [Renewable Energy Systems - King Mountain Windfarm](#)
- [Wind Energy Study in British Columbia, Canada](#)
- [Wind Force 12](#)
- [Havoygavlen Wind Park Construction Photos](#)
- [WindPower Photos](#)

Financial Model

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Wind Turbine Farm Economic Viability Model

Table 1.1 Wind Turbine Farm Input 1 (Change only data in blue)

Input 1	
Corporate Structure	
Company Name (Full)	Windstorm Power Company
Company Name (Abbreviated)	Windstorm
Number of Common Shares issued to Founders (no cost)	2,000,000
Number of Additional Common Shared Issued at IPO	20,000,000
Year construction is completed	2004
Currency (Abbreviated)	US\$

Table 2.1 Wind Turbine Farm Economic Viability Results

Output 1	
Project Attractiveness*	
25 year Internal Rate of Return	15.1%
25 year Net Present Value @ 7% Discount Rate (\$US)	41,516,304
Payback time (years)	5.80
Interest Coverage (post commissioning) (min over 25 years)	3.15
Net Profit Margin (post commissioning) (min over 25 years)	23.5%
Pre-tax Return on Invested Capital (average over 25 years)	9.5%

Table 1.2 Wind Turbine Farm Input 2 (Change only data in blue)

Input 2	
Project Parameters	
Per Wind Turbine Nameplate Rated Output (MW)	2.500
Number of Wind Turbines	40
Capacity Factor (%)**	32.00
Project Life (years)	25
Commissioning	
Percent of Capacity Factor** Achieved in Year 1 (%)	85.00
Percent of Capacity Factor** Achieved in Year 2 (%)	95.00
Percent of Capacity Factor** Achieved in Year 3 (%)	100.00
Revenue	
Selling Price of Electricity (\$US/MWh)	36.00
Green Electricity Premium*** (\$US/MWh)	26.00
Total Selling Price (\$US/MWh)	62.00
Green Energy Credits	
End of Year One Green Energy Capital Cost Credit (\$US)	-
Capital Cost	
Site Cost (\$US)	
Site Wind Speed Feasibility Studies	1,000,000
Legal Fees, Permits, Contracts	200,000
Meetings, Travel, Entertainment	80,000
Engineering	2,000,000
Land	200,000
Road Access	2,000,000
Site Preparation including Power line to Grid	1,750,000
Transformer	2,000,000
Site Control Office including VPN	500,000
Other	-
Total Site Capital Cost (\$US)	9,730,000
Per Wind Turbine Cost (\$US)	
Base	75,000
Crane	60,000
Tower	150,000
Wind Turbine and Blading System	1,400,000
Control System	100,000
Installation Labour	60,000
Installation Material	20,000
Other	-
Total Per Wind Turbine Capital Cost (\$US)	1,865,000
Underwriting Fee	
Underwriting Fee (% of Equity raised)	8.000
Underwriting Fee (% of Debt raised)	2.000

Table 2.2 Wind Turbine Farm Detailed Output

Output 2	
Capital Cost	
Project Cost (\$US)	84,330,000
Equity Underwriting Fee (\$US)	4,491,356
Debt Underwriting Fee (\$US)	748,559
Total Capital Cost (\$US)	89,569,915
Capital Structure	
Equity (\$US)	56,141,949
Debt (\$US)	37,427,966
Total (includes \$US 4,000,000 in working capital) (\$US)	93,569,915
Cash Flow (fully commissioned) (Yr 1) (see "Cash Flow" worksheet)	
Gross Revenue (\$US/year)	17,379,840
Operating and Maintenance Expenses (\$US/year)	2,350,000
Gross Operating Profit (\$US/year)	15,029,840
Selling, Administrative and General Expenses (\$US/year)	936,000
Principal and Interest Payments (\$US/year)	4,100,102
Benchmarks	
Total Nameplate Rated Output (MW)	100.0
Annualized Total Nameplate Rated Output (MWh)	876,000
Annual Output (fully commissioned) (MWh)	280,320
Capital Cost per Annual MWh (\$US/MWh)	322
Capital Cost per Nameplate Rated MW (\$US/MW)	895,699
Capital Cost per Effective MW (\$US/MW)	2,799,060
O&M and SAGE per Expected MWh (Yr 1) (\$US/MWh)	13.79
O&M and SAGE per Nameplate MW (Yr 1) (\$US/MW)	32,860
25 year Nominal Capital Cost per MWh (\$US/MWh)	12.88
25 year Nominal O&M and SAGE per MWh (\$US/MWh)	15.57
25 year Nominal Total Cost per MWh (\$US/MWh)	28.46
Financial Ratios	
Cash Flow to Total Debt (minimum over 25 years)	22.2%
Operating Profit Margin (minimum over 25 years)	76.0%
Debt to Equity (maximum over 25 years)	64.9%
Net Return on Invested Capital (average over 25 years)	4.9%
Net Return on Common Equity (average over 25 years)	5.7%
Common Share Prices	
IPO Price (\$US per share)	2.81
Expected Market Price following IPO (\$US per share)	3.93

Wind Turbine Farm Economic Viability Model

Table 1.3 Wind Turbine Farm Input 3

(Change only data in blue)

Input 3	
Annual O&M and SAGE	
Operating and Maintenance Expenses	
Site Annual O&M Expenses	
Land Leasing/Maintenance Expenses (\$US/year)	50,000
Property Taxes (\$US/year)	250,000
Site Manager Salary (\$US/year)	125,000
Transformer Maintenance and Repairs (\$US/year)	125,000
Other (\$US/year)	-
Total Site Annual O&M Expenses (\$US/year)	550,000
Per Wind Turbine Annual O&M Expenses	
Inspections (\$US/year)	6,000
Cleaning (\$US/year)	4,000
Maintenance and Repairs (\$US/year)	25,000
Insurance (\$US/year)	10,000
Other (\$US/year)	-
Total per Wind Turbine O&M Expenses (\$US/year)	45,000
Selling, Administrative and General Expenses (SAGE)	
Business Licences (\$US/year)	4,000
Executive Salaries (\$US/year)	750,000
Administrative Salaries (\$US/year)	60,000
Telephone, Office Supplies, Furniture, etc. (\$US/year)	120,000
Bank Fees (\$US/year)	2,000
Other (\$US/year)	-
Total SAGE (\$US/year)	936,000
Financing	
% of Capital Cost and Working Capital as Equity (%)	60.00
Annual Compound Interest Rate (%)	9.000
Length of Loan (years)	20
Inflation	
Electricity Selling Price Annual Inflation (%)	1.000
O&M Expense Annual Inflation (%)	2.000
SAGE Annual Inflation (%)	2.000
Interest on Cash Balances	
Annual Interest on Ending Cash Balance (%)	2.000
Working Capital Requirements	
Initial Working Capital Required (\$US)	4,000,000
Minimum Cash Balance (\$US)	1,000,000
Dividend Distribution	
Percent of Cash Generated Distributed as Dividends (%)	-

Table 1.4 Wind Turbine Farm Input 4

(Change only data in blue)

Input 4	
Depreciation and Amortization	
Generally Accepted Accounting Principles	
GAAP Straight Line Depreciation (years)	20
Income Tax Regulation	
Income Tax Depreciation (Year 1) (% of Capital Cost)	25.0
Income Tax Depreciation (Year 2) (% of Capital Cost)	50.0
Income Tax Depreciation (Year 3) (% of Capital Cost)	25.0
Income Tax Depreciation (Year 4) (% of Capital Cost)	-
Income Tax Depreciation (Year 5) (% of Capital Cost)	-
Income Tax Depreciation (Year 6) (% of Capital Cost)	-
Income Tax Depreciation (Year 7) (% of Capital Cost)	-
Income Tax Depreciation (Year 8) (% of Capital Cost)	-
Income Tax Depreciation (Year 9) (% of Capital Cost)	-
Income Tax Depreciation (Year 10) (% of Capital Cost)	-
Income Tax Depreciation (Year 11) (% of Capital Cost)	-
Income Tax Depreciation (Year 12) (% of Capital Cost)	-
Income Tax Depreciation (Year 13) (% of Capital Cost)	-
Income Tax Depreciation (Year 14) (% of Capital Cost)	-
Income Tax Depreciation (Year 15) (% of Capital Cost)	-
Income Tax Depreciation (Year 16) (% of Capital Cost)	-
Income Tax Depreciation (Year 17) (% of Capital Cost)	-
Income Tax Depreciation (Year 18) (% of Capital Cost)	-
Income Tax Depreciation (Year 19) (% of Capital Cost)	-
Income Tax Depreciation (Year 20) (% of Capital Cost)	-
Income Tax Depreciation (Year 21) (% of Capital Cost)	-
Income Tax Depreciation (Year 22) (% of Capital Cost)	-
Income Tax Depreciation (Year 23) (% of Capital Cost)	-
Income Tax Depreciation (Year 24) (% of Capital Cost)	-
Income Tax Depreciation (Year 25) (% of Capital Cost)	-
Income Tax	
Income Tax Rate (%)	40.000
Is other taxable income available to offset losses (Yor N)	N
Equity Valuation (see "Valuation" worksheet)	
by Earnings	
Forward Multiple on Annual Earnings (post commissioning)	12.00
Weighting (%)	15.000
by Discounted Cash Flow	
Cash Flow Present Value Discount Rate (%)	7.00
Weighting (%)	75.000
by EBITDA	
Forward Multiple on Annual EBITDA (post commissioning)	4.00
Weighting (%)	5.000
by Book Value	
Forward Multiple on Book Value	1.00
Weighting (%)	5.000

* Project Attractiveness - assumes Equity Capital is received on date construction is completed. First year operations begin immediately after construction. Cash Flow from first year of operations occurs twelve months after construction is completed.

** Capacity Factor = $\frac{\text{Actual Amount of Power Produced over time}}{\text{Power produced at Nameplate Rated Output 100\% of time}}$

*** Green Electricity Premium - A modern 1 MW wind turbine in an average location will annually displace 2,000 tonnes of carbon dioxide from other electricity sources, usually coal fired power stations (Source - Danish Wind Industry Association); There is now 30% more carbon dioxide in the earth's atmosphere than before the Industrial Revolution (Source - Journal of the Association of Professional Engineers and Geophysicists of British Columbia, "Innovation", June 2002).

Wind Turbine Farm Economic Viability Model

Table 3.1 Cash Flow Detail

End of Year		0	1	2	3	4	5	6	7	8	9	10
End of Year		2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014
Net Revenue	(\$US)	-	14,772,864	16,675,956	17,729,175	17,906,467	18,085,531	18,266,387	18,449,050	18,633,541	18,819,876	19,008,075
COGS (O&M)	(\$US)	-	(2,350,000)	(2,397,000)	(2,444,940)	(2,493,839)	(2,543,716)	(2,594,590)	(2,646,482)	(2,699,411)	(2,753,400)	(2,808,468)
SAGE	(\$US)	(3,000,000)	(936,000)	(954,720)	(973,814)	(993,291)	(1,013,157)	(1,033,420)	(1,054,088)	(1,075,170)	(1,096,673)	(1,118,607)
Interest Earned on Min Cash Balance	(\$US)	-	20,000	20,000	20,000	20,000	20,000	20,000	20,000	20,000	20,000	20,000
Loan Payment	(\$US)	-	(4,100,102)	(4,100,102)	(4,100,102)	(4,100,102)	(4,100,102)	(4,100,102)	(4,100,102)	(4,100,102)	(4,100,102)	(4,100,102)
Current Income Taxes (for IRR)	(\$US)	-	-	-	-	-	-	-	-	-	(3,008,120)	(5,035,929)
Total Cash Expenses	(\$US)	(3,000,000)	(7,366,102)	(7,431,822)	(7,498,856)	(7,567,231)	(7,636,974)	(7,708,111)	(7,780,671)	(7,854,683)	(10,938,294)	(13,043,105)
Income Tax Depreciation Expense	(\$US)	-	(22,392,479)	(44,784,958)	(22,392,479)	-	-	-	-	-	-	-
Interest Expense	(\$US)	-	(3,368,517)	(3,302,674)	(3,230,906)	(3,152,678)	(3,067,410)	(2,974,468)	(2,873,161)	(2,762,736)	(2,642,373)	(2,511,178)
Income Tax Taxable Income (for IRR)	(\$US)	(3,000,000)	(14,254,132)	(34,743,395)	(11,292,964)	11,286,659	11,481,249	11,683,909	11,895,320	12,116,224	12,347,430	12,589,823
Cash Flow (for IRR)	(\$US)	(56,141,949)	7,406,762	9,244,135	10,230,319	10,339,235	10,448,557	10,558,275	10,668,379	10,778,858	7,881,582	5,964,970
IPO Cash Flow IRR*	(\$US)	(56,141,949)	7,406,762	9,244,135	10,230,319	10,339,235	10,448,557	10,558,275	10,668,379	10,778,858	7,881,582	5,964,970
Discounted CF @ 7%	(\$US)	(56,141,949)	6,922,208	8,074,185	8,350,987	7,887,753	7,449,677	7,035,425	6,643,730	6,273,394	4,287,058	3,032,288
IPO Discounted CF @ 7%*	(\$US)	(56,141,949)	6,469,353	7,545,968	7,804,661	7,371,732	6,962,315	6,575,163	6,209,094	5,862,985	4,006,597	2,833,914
Payback Time Calculation	(\$US)	(56,141,949)	(48,735,187)	(39,491,052)	(29,260,734)	(18,921,498)	(8,472,941)	2,085,334	12,753,713	23,532,571	31,414,153	37,379,123
Payback Time	(years)	-	-	-	-	-	-	5.80	-	-	-	-
GAAP Depreciation Expense	(\$US)	-	(4,478,496)	(4,478,496)	(4,478,496)	(4,478,496)	(4,478,496)	(4,478,496)	(4,478,496)	(4,478,496)	(4,478,496)	(4,478,496)
GAAP Taxable Income (for IRR)	(\$US)	(3,000,000)	3,659,851	5,563,066	6,621,019	6,808,163	7,002,753	7,205,413	7,416,824	7,637,728	7,868,935	8,111,327
Deferred Income Taxes (for IRR)	(\$US)	1,200,000	(1,463,941)	(2,225,227)	(2,648,408)	(2,723,265)	(2,801,101)	(2,882,165)	(2,966,730)	(3,055,091)	(139,454)	1,791,398
Carry Forward Losses (for IRR)	(\$US)	(3,000,000)	(17,254,132)	(51,997,527)	(63,290,492)	(52,003,833)	(40,522,584)	(28,838,675)	(16,943,355)	(4,827,131)	-	-
Dividends Paid	(\$US)	-	-	-	-	-	-	-	-	-	-	-
New Interest Earned on Cash Balance	(\$US)	-	20,000	168,135	355,981	567,307	785,037	1,009,309	1,240,261	1,478,034	1,717,676	1,857,063
New GAAP Taxable Income	(\$US)	(3,000,000)	3,659,851	5,711,202	6,956,999	7,355,470	7,767,791	8,194,723	8,637,085	9,095,762	9,566,611	9,948,390
New Income Tax Taxable Income	(\$US)	(3,000,000)	(14,254,132)	(34,595,260)	(10,956,984)	11,833,965	12,246,286	12,673,219	13,115,581	13,574,258	14,045,107	14,426,886
New Carry Forward Losses	(\$US)	(3,000,000)	(17,254,132)	(51,849,392)	(62,806,376)	(50,972,410)	(38,726,124)	(26,052,905)	(12,937,324)	-	-	-
New Current Income Taxes	(\$US)	-	-	-	-	-	-	-	-	(254,773)	(5,618,043)	(5,770,754)
New Deferred Income Taxes	(\$US)	1,200,000	(1,463,941)	(2,284,481)	(2,782,800)	(2,942,188)	(3,107,116)	(3,277,889)	(3,454,834)	(3,383,531)	1,791,398	1,791,398
New GAAP Net Earnings	(\$US)	(1,800,000)	2,195,911	3,426,721	4,174,200	4,413,282	4,660,674	4,916,834	5,182,251	5,457,457	5,739,966	5,969,034
New Cash Flow	(\$US)	(56,141,949)	7,406,762	9,392,270	10,566,299	10,886,542	11,213,595	11,547,585	11,888,640	11,982,119	6,969,335	7,067,208
Ending Cash Balance	(\$US)	1,000,000	8,406,762	17,799,032	28,365,331	39,251,873	50,465,468	62,013,053	73,901,693	85,883,811	92,853,147	99,920,354
Fixed Assets	(\$US)	84,330,000	84,330,000	84,330,000	84,330,000	84,330,000	84,330,000	84,330,000	84,330,000	84,330,000	84,330,000	84,330,000
Accumulated Depreciation	(\$US)	-	(4,216,500)	(8,433,000)	(12,649,500)	(16,866,000)	(21,082,500)	(25,299,000)	(29,515,500)	(33,732,000)	(37,948,500)	(42,165,000)
Underwriting Fees	(\$US)	5,239,915	5,239,915	5,239,915	5,239,915	5,239,915	5,239,915	5,239,915	5,239,915	5,239,915	5,239,915	5,239,915
Accumulated Amortization	(\$US)	-	(261,996)	(523,992)	(785,987)	(1,047,983)	(1,309,979)	(1,571,975)	(1,833,970)	(2,095,966)	(2,357,962)	(2,619,958)
Outstanding Principal	(\$US)	37,427,966	36,696,381	35,898,954	35,029,758	34,082,334	33,049,643	31,924,009	30,697,068	29,359,702	27,901,974	26,313,050
Principal Payment	(\$US)	-	(731,585)	(797,427)	(869,196)	(947,424)	(1,032,692)	(1,125,634)	(1,226,941)	(1,337,366)	(1,457,729)	(1,588,924)

* assumes IPO occurs 12 months before construction is completed. First year operations begin immediately after construction. Cash Flow from first year of operations occurs 12 months after construction.

Table 3.2 Ratios

		Post Commissioning										
Interest Coverage	(min)	3.15	2.09	2.73	3.15	3.33	3.53	3.76	4.01	4.29	4.62	4.96
Cash Flow to Total Debt	(min)	30.2%	22.2%	28.4%	32.6%	34.7%	37.1%	39.7%	42.7%	45.4%	30.2%	32.9%
Operating Profit Margin	(min)	76.0%	77.8%	79.9%	80.7%	80.5%	80.3%	80.1%	79.9%	79.7%	79.5%	79.3%
Debt to Equity	(max)	54.6%	64.9%	59.9%	54.6%	49.7%	45.1%	40.9%	36.8%	33.1%	29.5%	26.2%
Pre-tax Return on Invested Capital	(avg)	9.6%	7.5%	9.4%	10.3%	10.2%	10.2%	10.1%	10.1%	10.0%	10.0%	9.8%
Net Return on Invested Capital	(avg)	4.9%	4.5%	5.5%	5.9%	5.8%	5.7%	5.5%	5.4%	5.3%	5.1%	5.0%
Net Return on Common Equity	(avg)	5.8%	3.9%	5.7%	6.5%	6.4%	6.4%	6.3%	6.2%	6.1%	6.1%	5.9%
Net Profit Margin	(min)	23.5%	14.9%	20.5%	23.5%	24.6%	25.8%	26.9%	28.1%	29.3%	30.5%	31.4%

Wind Turbine Farm Economic Viability Model

Table 3.1 Cash Flow Detail

End of Year		11	12	13	14	15	16	17	18	19	20
End of Year		2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Net Revenue	(\$US)	19,198,156	19,390,137	19,584,039	19,779,879	19,977,678	20,177,455	20,379,229	20,583,022	20,788,852	20,996,740
COGS (O&M)	(\$US)	(2,864,637)	(2,921,930)	(2,980,368)	(3,039,976)	(3,100,775)	(3,162,791)	(3,226,046)	(3,290,567)	(3,356,379)	(3,423,506)
SAGE	(\$US)	(1,140,979)	(1,163,798)	(1,187,074)	(1,210,816)	(1,235,032)	(1,259,733)	(1,284,927)	(1,310,626)	(1,336,838)	(1,363,575)
Interest Earned on Min Cash Balance	(\$US)	20,000	20,000	20,000	20,000	20,000	20,000	20,000	20,000	20,000	20,000
Loan Payment	(\$US)	(4,100,102)	(4,100,102)	(4,100,102)	(4,100,102)	(4,100,102)	(4,100,102)	(4,100,102)	(4,100,102)	(4,100,102)	(4,100,102)
Current Income Taxes (for IRR)	(\$US)	(5,137,746)	(5,244,843)	(5,357,679)	(5,476,753)	(5,602,610)	(5,735,846)	(5,877,108)	(6,027,103)	(6,186,603)	(6,356,447)
Total Cash Expenses	(\$US)	(13,223,464)	(13,410,673)	(13,605,223)	(13,807,646)	(14,018,519)	(14,238,471)	(14,468,183)	(14,708,398)	(14,959,921)	(15,223,631)
Income Tax Depreciation Expense	(\$US)	-	-	-	-	-	-	-	-	-	-
Interest Expense	(\$US)	(2,368,174)	(2,212,301)	(2,042,399)	(1,857,206)	(1,655,345)	(1,435,317)	(1,195,486)	(934,071)	(649,128)	(338,541)
Income Tax Taxable Income (for IRR)	(\$US)	12,844,366	13,112,108	13,394,197	13,691,882	14,006,526	14,339,614	14,692,769	15,067,757	15,466,506	15,891,118
Cash Flow (for IRR)	(\$US)	5,974,692	5,979,464	5,978,816	5,972,233	5,959,159	5,938,984	5,911,046	5,874,624	5,828,930	5,773,110
IPO Cash Flow IRR*	(\$US)	5,974,692	5,979,464	5,978,816	5,972,233	5,959,159	5,938,984	5,911,046	5,874,624	5,828,930	5,773,110
Discounted CF @ 7%	(\$US)	2,838,533	2,654,954	2,480,996	2,316,135	2,159,873	2,011,739	1,871,286	1,738,089	1,611,748	1,491,881
IPO Discounted CF @ 7%*	(\$US)	2,652,835	2,481,265	2,318,688	2,164,612	2,018,573	1,880,130	1,748,865	1,624,382	1,506,306	1,394,282
Payback Time Calculation	(\$US)	43,353,815	49,333,280	55,312,095	61,284,328	67,243,487	73,182,471	79,093,517	84,968,140	90,797,071	96,570,180
Payback Time	(years)	-	-	-	-	-	-	-	-	-	-
GAAP Depreciation Expense	(\$US)	(4,478,496)	(4,478,496)	(4,478,496)	(4,478,496)	(4,478,496)	(4,478,496)	(4,478,496)	(4,478,496)	(4,478,496)	(4,478,496)
GAAP Taxable Income (for IRR)	(\$US)	8,365,870	8,633,613	8,915,701	9,213,386	9,528,030	9,861,119	10,214,273	10,589,262	10,988,011	11,412,622
Deferred Income Taxes (for IRR)	(\$US)	1,791,398	1,791,398	1,791,398	1,791,398	1,791,398	1,791,398	1,791,398	1,791,398	1,791,398	1,791,398
Carry Forward Losses (for IRR)	(\$US)	-	-	-	-	-	-	-	-	-	-
Dividends Paid	(\$US)	-	-	-	-	-	-	-	-	-	-
New Interest Earned on Cash Balance	(\$US)	1,998,407	2,141,642	2,286,691	2,433,467	2,581,874	2,731,799	2,883,121	3,035,699	3,189,380	3,343,991
New GAAP Taxable Income	(\$US)	10,344,277	10,755,254	11,182,392	11,626,854	12,089,904	12,572,918	13,077,394	13,604,961	14,157,391	14,736,613
New Income Tax Taxable Income	(\$US)	14,822,773	15,233,750	15,660,888	16,105,349	16,568,399	17,051,414	17,555,890	18,083,456	18,635,886	19,215,109
New Carry Forward Losses	(\$US)	-	-	-	-	-	-	-	-	-	-
New Current Income Taxes	(\$US)	(5,929,109)	(6,093,500)	(6,264,355)	(6,442,140)	(6,627,360)	(6,820,565)	(7,022,356)	(7,233,383)	(7,454,355)	(7,686,044)
New Deferred Income Taxes	(\$US)	1,791,398	1,791,398	1,791,398	1,791,398	1,791,398	1,791,398	1,791,398	1,791,398	1,791,398	1,791,398
New GAAP Net Earnings	(\$US)	6,206,566	6,453,153	6,709,435	6,976,112	7,253,942	7,543,751	7,846,436	8,162,976	8,494,434	8,841,968
New Cash Flow	(\$US)	7,161,736	7,252,449	7,338,830	7,420,314	7,496,283	7,566,063	7,628,918	7,684,043	7,730,558	7,767,504
Ending Cash Balance	(\$US)	107,082,091	114,334,540	121,673,370	129,093,684	136,589,967	144,156,030	151,784,948	159,468,991	167,199,549	174,967,054
Fixed Assets	(\$US)	84,330,000	84,330,000	84,330,000	84,330,000	84,330,000	84,330,000	84,330,000	84,330,000	84,330,000	84,330,000
Accumulated Depreciation	(\$US)	(46,381,500)	(50,598,000)	(54,814,500)	(59,031,000)	(63,247,500)	(67,464,000)	(71,680,500)	(75,897,000)	(80,113,500)	(84,330,000)
Underwriting Fees	(\$US)	5,239,915	5,239,915	5,239,915	5,239,915	5,239,915	5,239,915	5,239,915	5,239,915	5,239,915	5,239,915
Accumulated Amortization	(\$US)	(2,881,953)	(3,143,949)	(3,405,945)	(3,667,941)	(3,929,936)	(4,191,932)	(4,453,928)	(4,715,924)	(4,977,919)	(5,239,915)
Outstanding Principal	(\$US)	24,581,122	22,693,322	20,635,619	18,392,723	15,947,966	13,283,181	10,378,566	7,212,535	3,761,561	-
Principal Payment	(\$US)	(1,731,927)	(1,887,801)	(2,057,703)	(2,242,896)	(2,444,757)	(2,664,785)	(2,904,615)	(3,166,031)	(3,450,974)	(3,761,561)

* assumes IPO occurs 12 months before construction is completed. First year operations begin immediately after construction. Cash Flow from first year of operations occurs 12 months after construction.

Table 3.2 Ratios

Interest Coverage	(min)	5.37	5.86	6.48	7.26	8.30	9.76	11.94	15.57	22.81	N/A
Cash Flow to Total Debt	(min)	36.2%	40.3%	45.5%	52.5%	62.3%	77.0%	101.5%	150.4%	297.3%	N/A
Operating Profit Margin	(min)	79.1%	78.9%	78.7%	78.5%	78.3%	78.1%	77.9%	77.6%	77.4%	77.2%
Debt to Equity	(max)	23.0%	20.1%	17.2%	14.5%	11.9%	9.4%	6.9%	4.6%	2.3%	0.0%
Pre-tax Return on Invested Capital	(avg)	9.7%	9.5%	9.4%	9.3%	9.2%	9.0%	8.9%	8.8%	8.7%	8.6%
Net Return on Invested Capital	(avg)	4.9%	4.8%	4.7%	4.6%	4.5%	4.4%	4.3%	4.2%	4.1%	4.0%
Net Return on Common Equity	(avg)	5.8%	5.7%	5.6%	5.5%	5.4%	5.3%	5.2%	5.2%	5.1%	5.1%
Net Profit Margin	(min)	32.3%	33.3%	34.3%	35.3%	36.3%	37.4%	38.5%	39.7%	40.9%	42.1%

Wind Turbine Farm Economic Viability Model

Table 3.1 Cash Flow Detail

End of Year		21	22	23	24	25	26	27	28	29	30
End of Year		2025	2026	2027	2028	2029	2030	2031	2032	2033	2034
Net Revenue	(\$US)	21,206,708	21,418,775	21,632,962	21,849,292	22,067,785	-	-	-	-	-
COGS (O&M)	(\$US)	(3,491,976)	(3,561,816)	(3,633,052)	(3,705,713)	(3,779,828)	-	-	-	-	-
SAGE	(\$US)	(1,390,847)	(1,418,664)	(1,447,037)	(1,475,978)	(1,505,497)	-	-	-	-	-
Interest Earned on Min Cash Balance	(\$US)	20,000	20,000	20,000	20,000	20,000	-	-	-	-	-
Loan Payment	(\$US)	-	-	-	-	-	-	-	-	-	-
Current Income Taxes (for IRR)	(\$US)	(6,537,554)	(6,583,318)	(6,629,149)	(6,675,040)	(6,720,984)	-	-	-	-	-
Total Cash Expenses	(\$US)	(11,400,377)	(11,543,798)	(11,689,239)	(11,836,731)	(11,986,309)	-	-	-	-	-
Income Tax Depreciation Expense	(\$US)	-	-	-	-	-	-	-	-	-	-
Interest Expense	(\$US)	-	-	-	-	-	-	-	-	-	-
Income Tax Taxable Income (for IRR)	(\$US)	16,343,885	16,458,295	16,572,873	16,687,601	16,802,460	-	-	-	-	-
Cash Flow (for IRR)	(\$US)	9,806,331	9,874,977	9,943,724	10,012,561	10,081,476	-	-	-	-	-
IPO Cash Flow IRR*	(\$US)	9,806,331	9,874,977	9,943,724	10,012,561	10,081,476	-	-	-	-	-
Discounted CF @ 7%	(\$US)	2,368,357	2,228,912	2,097,598	1,973,942	1,857,504	-	-	-	-	-
IPO Discounted CF @ 7%*	(\$US)	2,213,418	2,083,096	1,960,372	1,844,806	1,735,985	-	-	-	-	-
Payback Time Calculation	(\$US)	106,376,511	116,251,488	126,195,212	136,207,773	146,289,249	-	-	-	-	-
Payback Time	(years)	-	-	-	-	-	-	-	-	-	-
GAAP Depreciation Expense	(\$US)	-	-	-	-	-	-	-	-	-	-
GAAP Taxable Income (for IRR)	(\$US)	16,343,885	16,458,295	16,572,873	16,687,601	16,802,460	-	-	-	-	-
Deferred Income Taxes (for IRR)	(\$US)	-	-	-	-	-	-	-	-	-	-
Carry Forward Losses (for IRR)	(\$US)	-	-	-	-	-	-	-	-	-	-
Dividends Paid	(\$US)	-	-	-	-	-	-	-	-	-	-
New Interest Earned on Cash Balance	(\$US)	3,499,341	3,737,220	3,979,326	4,225,712	4,476,432	-	-	-	-	-
New GAAP Taxable Income	(\$US)	19,823,226	20,175,515	20,532,199	20,893,313	21,258,892	-	-	-	-	-
New Income Tax Taxable Income	(\$US)	19,823,226	20,175,515	20,532,199	20,893,313	21,258,892	-	-	-	-	-
New Carry Forward Losses	(\$US)	-	-	-	-	-	-	-	-	-	-
New Current Income Taxes	(\$US)	(7,929,290)	(8,070,206)	(8,212,880)	(8,357,325)	(8,503,557)	-	-	-	-	-
New Deferred Income Taxes	(\$US)	-	-	-	-	-	-	-	-	-	-
New GAAP Net Earnings	(\$US)	11,893,935	12,105,309	12,319,320	12,535,988	12,755,335	-	-	-	-	-
New Cash Flow	(\$US)	11,893,935	12,105,309	12,319,320	12,535,988	12,755,335	-	-	-	-	-
Ending Cash Balance	(\$US)	186,860,989	198,966,298	211,285,618	223,821,606	236,576,941	-	-	-	-	-
Fixed Assets	(\$US)	84,330,000	84,330,000	84,330,000	84,330,000	84,330,000	-	-	-	-	-
Accumulated Depreciation	(\$US)	(84,330,000)	(84,330,000)	(84,330,000)	(84,330,000)	(84,330,000)	-	-	-	-	-
Underwriting Fees	(\$US)	5,239,915	5,239,915	5,239,915	5,239,915	5,239,915	-	-	-	-	-
Accumulated Amortization	(\$US)	(5,239,915)	(5,239,915)	(5,239,915)	(5,239,915)	(5,239,915)	-	-	-	-	-
Outstanding Principal	(\$US)	-	-	-	-	-	-	-	-	-	-
Principal Payment	(\$US)	-	-	-	-	-	-	-	-	-	-

* assumes IPO occurs 12 months before construction is completed. First year operations begin immediately after construction. Cash Flow from first year of operations occurs 12 months after construction.

Table 3.2 Ratios

Interest Coverage	(min)	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Cash Flow to Total Debt	(min)	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Operating Profit Margin	(min)	77.0%	76.7%	76.5%	76.3%	76.0%	N/A	N/A	N/A	N/A	N/A
Debt to Equity	(max)	0.0%	0.0%	0.0%	0.0%	0.0%	N/A	N/A	N/A	N/A	N/A
Pre-tax Return on Invested Capital	(avg)	10.6%	10.1%	9.7%	9.3%	9.0%	N/A	N/A	N/A	N/A	N/A
Net Return on Invested Capital	(avg)	5.2%	5.0%	4.7%	4.5%	4.3%	N/A	N/A	N/A	N/A	N/A
Net Return on Common Equity	(avg)	6.4%	6.1%	5.8%	5.6%	5.4%	N/A	N/A	N/A	N/A	N/A
Net Profit Margin	(min)	56.1%	56.5%	56.9%	57.4%	57.8%	N/A	N/A	N/A	N/A	N/A

Wind Turbine Farm Economic Viability Model

Table 3.1 Cash Flow Detail

End of Year		31	32	33	34	35	36	37	38	39	40
End of Year		2035	2036	2037	2038	2039	2040	2041	2042	2043	2044
Net Revenue	(\$US)	-	-	-	-	-	-	-	-	-	-
COGS (O&M)	(\$US)	-	-	-	-	-	-	-	-	-	-
SAGE	(\$US)	-	-	-	-	-	-	-	-	-	-
Interest Earned on Min Cash Balance	(\$US)	-	-	-	-	-	-	-	-	-	-
Loan Payment	(\$US)	-	-	-	-	-	-	-	-	-	-
Current Income Taxes (for IRR)	(\$US)	-	-	-	-	-	-	-	-	-	-
Total Cash Expenses	(\$US)	-	-	-	-	-	-	-	-	-	-
Income Tax Depreciation Expense	(\$US)	-	-	-	-	-	-	-	-	-	-
Interest Expense	(\$US)	-	-	-	-	-	-	-	-	-	-
Income Tax Taxable Income (for IRR)	(\$US)	-	-	-	-	-	-	-	-	-	-
Cash Flow (for IRR)	(\$US)	-	-	-	-	-	-	-	-	-	-
IPO Cash Flow IRR*	(\$US)	-	-	-	-	-	-	-	-	-	-
Discounted CF @ 7%	(\$US)	-	-	-	-	-	-	-	-	-	-
IPO Discounted CF @ 7%*	(\$US)	-	-	-	-	-	-	-	-	-	-
Payback Time Calculation	(\$US)	-	-	-	-	-	-	-	-	-	-
Payback Time	(years)	-	-	-	-	-	-	-	-	-	-
GAAP Depreciation Expense	(\$US)	-	-	-	-	-	-	-	-	-	-
GAAP Taxable Income (for IRR)	(\$US)	-	-	-	-	-	-	-	-	-	-
Deferred Income Taxes (for IRR)	(\$US)	-	-	-	-	-	-	-	-	-	-
Carry Forward Losses (for IRR)	(\$US)	-	-	-	-	-	-	-	-	-	-
Dividends Paid	(\$US)	-	-	-	-	-	-	-	-	-	-
New Interest Earned on Cash Balance	(\$US)	-	-	-	-	-	-	-	-	-	-
New GAAP Taxable Income	(\$US)	-	-	-	-	-	-	-	-	-	-
New Income Tax Taxable Income	(\$US)	-	-	-	-	-	-	-	-	-	-
New Carry Forward Losses	(\$US)	-	-	-	-	-	-	-	-	-	-
New Current Income Taxes	(\$US)	-	-	-	-	-	-	-	-	-	-
New Deferred Income Taxes	(\$US)	-	-	-	-	-	-	-	-	-	-
New GAAP Net Earnings	(\$US)	-	-	-	-	-	-	-	-	-	-
New Cash Flow	(\$US)	-	-	-	-	-	-	-	-	-	-
Ending Cash Balance	(\$US)	-	-	-	-	-	-	-	-	-	-
Fixed Assets	(\$US)	-	-	-	-	-	-	-	-	-	-
Accumulated Depreciation	(\$US)	-	-	-	-	-	-	-	-	-	-
Underwriting Fees	(\$US)	-	-	-	-	-	-	-	-	-	-
Accumulated Amortization	(\$US)	-	-	-	-	-	-	-	-	-	-
Outstanding Principal	(\$US)	-	-	-	-	-	-	-	-	-	-
Principal Payment	(\$US)	-	-	-	-	-	-	-	-	-	-

* assumes IPO occurs 12 months before construction is completed. First year operations begin immediately after construction. Cash Flow from first year of operations occurs 12 months after construction.

Table 3.2 Ratios

Interest Coverage	(min)	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Cash Flow to Total Debt	(min)	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Operating Profit Margin	(min)	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Debt to Equity	(max)	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Pre-tax Return on Invested Capital	(avg)	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Net Return on Invested Capital	(avg)	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Net Return on Common Equity	(avg)	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Net Profit Margin	(min)	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A

Wind Turbine Farm Economic Viability Model

Table 3.1 Cash Flow Detail

End of Year	41	42	43	44	45	46	47	48	49	50	25 year
End of Year	2045	2046	2047	2048	2049	2050	2051	2052	2053	2054	Life
Net Revenue (\$US)	-	-	-	-	-	-	-	-	-	-	-
COGS (O&M) (\$US)	-	-	-	-	-	-	-	-	-	-	(75,271,204)
SAGE (\$US)	-	-	-	-	-	-	-	-	-	-	(32,980,361)
Interest Earned on Min Cash Balance (\$US)	-	-	-	-	-	-	-	-	-	-	
Loan Payment (\$US)	-	-	-	-	-	-	-	-	-	-	
Current Income Taxes (for IRR) (\$US)	-	-	-	-	-	-	-	-	-	-	
Total Cash Expenses (\$US)	-	-	-	-	-	-	-	-	-	-	
Income Tax Depreciation Expense (\$US)	-	-	-	-	-	-	-	-	-	-	
Interest Expense (\$US)	-	-	-	-	-	-	-	-	-	-	
Income Tax Taxable Income (for IRR) (\$US)	-	-	-	-	-	-	-	-	-	-	
Cash Flow (for IRR) (\$US)	-	-	-	-	-	-	-	-	-	-	15.1%
IPO Cash Flow IRR* (\$US)	-	-	-	-	-	-	-	-	-	-	13.0%
Discounted CF @ 7% (\$US)	-	-	-	-	-	-	-	-	-	-	41,516,304
IPO Discounted CF @ 7%* (\$US)	-	-	-	-	-	-	-	-	-	-	35,127,446
Payback Time Calculation (\$US)	-	-	-	-	-	-	-	-	-	-	
Payback Time (years)	-	-	-	-	-	-	-	-	-	-	5.80
GAAP Depreciation Expense (\$US)	-	-	-	-	-	-	-	-	-	-	
GAAP Taxable Income (for IRR) (\$US)	-	-	-	-	-	-	-	-	-	-	
Deferred Income Taxes (for IRR) (\$US)	-	-	-	-	-	-	-	-	-	-	
Carry Forward Losses (for IRR) (\$US)	-	-	-	-	-	-	-	-	-	-	
Dividends Paid (\$US)	-	-	-	-	-	-	-	-	-	-	
New Interest Earned on Cash Balance (\$US)	-	-	-	-	-	-	-	-	-	-	
New GAAP Taxable Income (\$US)	-	-	-	-	-	-	-	-	-	-	
New Income Tax Taxable Income (\$US)	-	-	-	-	-	-	-	-	-	-	
New Carry Forward Losses (\$US)	-	-	-	-	-	-	-	-	-	-	
New Current Income Taxes (\$US)	-	-	-	-	-	-	-	-	-	-	
New Deferred Income Taxes (\$US)	-	-	-	-	-	-	-	-	-	-	
New GAAP Net Earnings (\$US)	-	-	-	-	-	-	-	-	-	-	
New Cash Flow (\$US)	-	-	-	-	-	-	-	-	-	-	16.5%
Ending Cash Balance (\$US)	-	-	-	-	-	-	-	-	-	-	(Not IRR)
Fixed Assets (\$US)	-	-	-	-	-	-	-	-	-	-	
Accumulated Depreciation (\$US)	-	-	-	-	-	-	-	-	-	-	
Underwriting Fees (\$US)	-	-	-	-	-	-	-	-	-	-	
Accumulated Amortization (\$US)	-	-	-	-	-	-	-	-	-	-	
Outstanding Principal (\$US)	-	-	-	-	-	-	-	-	-	-	
Principal Payment (\$US)	-	-	-	-	-	-	-	-	-	-	

* assumes IPO occurs 12 months before construction is completed. First year operations begin immediately after construction. Cash Flow from first year of operations occurs 12 months after construction.

Table 3.2 Ratios

Interest Coverage (min)	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	2.09
Cash Flow to Total Debt (min)	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	22.2%
Operating Profit Margin (min)	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	76.0%
Debt to Equity (max)	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	64.9%
Pre-tax Return on Invested Capital (avg)	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	9.5%
Net Return on Invested Capital (avg)	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	4.9%
Net Return on Common Equity (avg)	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	5.7%
Net Profit Margin (min)	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	14.9%

Wind Turbine Farm Economic Viability Model

Windstorm Power Company

Equity Valuation

	2004	2005	2006	2007	2008
Number of Common shares issued	22,000,000	22,000,000	22,000,000	22,000,000	22,000,000
Percent of Capacity Factor Achieved	85%	95%	100%	100%	100%
by Earnings (15% weighting)	2004	2005	2006	2007	2008
Earnings (for the twelve months ended December 31) (\$US)		2,195,911	3,426,721	4,174,200	4,413,282
Forward multiple on Annual Earnings	12.00	12.00	12.00	12.00	
Value (\$US)	26,350,929	41,120,652	50,090,396	52,959,382	
Value (post commissioning) (\$US)	-	-	50,090,396	-	
Valuation by Earnings (\$US)	<u>50,090,396</u>				
Value per share following IPO (\$US)	2.28				
by Discounted Cash Flow (75% weighting)					
25 year Net Present Value @ 7% Discount Rate (\$US)	41,516,304				
IPO Equity (\$US)	56,141,949				
Valuation by Discounted Cash Flow (\$US)	<u>97,658,253</u>				
Value per share following IPO (\$US)	4.44				
by EBITDA (5% weighting)	2004	2005	2006	2007	2008
EBITDA (for the twelve months ended December 31) (\$US)		11,486,864	13,324,236	14,310,420	14,419,337
Forward Multiple on Annual EBITDA	4.00	4.00	4.00	4.00	
Value (\$US)	45,947,456	53,296,946	57,241,682	57,677,348	
Value (post commissioning) (\$US)	-	-	57,241,682	-	
Valuation by EBITDA (\$US)	<u>57,241,682</u>				
Value per share following IPO (\$US)	2.60				
by Book Value (5% weighting)	2004	2005	2006	2007	2008
Book Value (at December 31) (\$US)		56,537,860	59,964,581	64,138,781	68,552,062
Forward Multiple on Book Value	1.00				
Valuation by Book Value (\$US)	<u>56,537,860</u>				
Value per share following IPO (\$US)	2.57				
Weighted Average Market Value per share following IPO (\$US)	3.93				

Wind Turbine Farm Economic Viability Model

Windstorm Power Company

GAAP Income Statement

for the twelve months ended December 31
(in \$US)

	2004	2005	2006	2007	2008	2009	2010
Net Sales	-	14,772,864	16,675,956	17,729,175	17,906,467	18,085,531	18,266,387
Cost of Goods Sold (O&M Expenses)	-	2,350,000	2,397,000	2,444,940	2,493,839	2,543,716	2,594,590
Gross Operating Profit	-	12,422,864	14,278,956	15,284,235	15,412,628	15,541,816	15,671,797
Depreciation & Amortization	-	4,478,496	4,478,496	4,478,496	4,478,496	4,478,496	4,478,496
Selling, Administrative, and General Expenses	3,000,000	936,000	954,720	973,814	993,291	1,013,157	1,033,420
Net Operating Profit	(3,000,000)	7,008,368	8,845,741	9,831,925	9,940,841	10,050,163	10,159,881
Interest Expense	-	3,368,517	3,302,674	3,230,906	3,152,678	3,067,410	2,974,468
Interest (Income)	-	(20,000)	(168,135)	(355,981)	(567,307)	(785,037)	(1,009,309)
Earnings before Taxes	(3,000,000)	3,659,851	5,711,202	6,956,999	7,355,470	7,767,791	8,194,723
Current Income Tax	-	-	-	-	-	-	-
Deferred Income Taxes	(1,200,000)	1,463,941	2,284,481	2,782,800	2,942,188	3,107,116	3,277,889
Net Earnings	(1,800,000)	2,195,911	3,426,721	4,174,200	4,413,282	4,660,674	4,916,834

Windstorm Power Company

GAAP Balance Sheet

at December 31
(in \$US)

	2004	2005	2006	2007	2008	2009	2010
Assets							
Cash	1,000,000	8,406,762	17,799,032	28,365,331	39,251,873	50,465,468	62,013,053
Fixed Assets	84,330,000	84,330,000	84,330,000	84,330,000	84,330,000	84,330,000	84,330,000
Accumulated Depreciation	-	(4,216,500)	(8,433,000)	(12,649,500)	(16,866,000)	(21,082,500)	(25,299,000)
Intangible Assets							
Underwriting Fees	5,239,915	5,239,915	5,239,915	5,239,915	5,239,915	5,239,915	5,239,915
Accumulated Amortization	-	(261,996)	(523,992)	(785,987)	(1,047,983)	(1,309,979)	(1,571,975)
Total Assets	90,569,915	93,498,182	98,411,956	104,499,759	110,907,806	117,642,905	124,711,994
Liabilities and Shareholders' Equity							
Long Term Debt	37,427,966	36,696,381	35,898,954	35,029,758	34,082,334	33,049,643	31,924,009
Deferred Income Taxes	(1,200,000)	263,941	2,548,421	5,331,221	8,273,409	11,380,525	14,658,414
Common Share Capital	56,141,949	56,141,949	56,141,949	56,141,949	56,141,949	56,141,949	56,141,949
Qty issued	22,000,000						
Retained Earnings	(1,800,000)	395,911	3,822,632	7,996,831	12,410,113	17,070,788	21,987,621
Total Liabilities and Shareholders' Equity	90,569,915	93,498,182	98,411,956	104,499,759	110,907,806	117,642,905	124,711,994

Windstorm Power Company

GAAP Cash Flow Statement

for the twelve months ended December 31
(in \$US)

	2004	2005	2006	2007	2008	2009	2010
Cash Generated from (used in)							
Operating Activities							
Net Earnings	(1,800,000)	2,195,911	3,426,721	4,174,200	4,413,282	4,660,674	4,916,834
Depreciation	-	4,478,496	4,478,496	4,478,496	4,478,496	4,478,496	4,478,496
Deferred Income Taxes	(1,200,000)	1,463,941	2,284,481	2,782,800	2,942,188	3,107,116	3,277,889
Net Cash Flows - Operating Activities	(3,000,000)	8,138,347	10,189,697	11,435,495	11,833,965	12,246,286	12,673,219
Financing Activities							
Long Term Debt	37,427,966	(731,585)	(797,427)	(869,196)	(947,424)	(1,032,692)	(1,125,634)
IPO	56,141,949	-	-	-	-	-	-
Dividends	-	-	-	-	-	-	-
Net Cash Flows - Financing Activities	93,569,915	(731,585)	(797,427)	(869,196)	(947,424)	(1,032,692)	(1,125,634)
Investing Activities							
Purchase of Plant, Property and Equipment	(84,330,000)	-	-	-	-	-	-
Underwriting Fees	(5,239,915)	-	-	-	-	-	-
Net Cash Flows - Investing Activities	(89,569,915)	-	-	-	-	-	-
Increase (Decrease) in Cash	1,000,000	7,406,762	9,392,270	10,566,299	10,886,542	11,213,595	11,547,585
Opening Cash Balance	-	1,000,000	8,406,762	17,799,032	28,365,331	39,251,873	50,465,468
Ending Cash Balance	1,000,000	8,406,762	17,799,032	28,365,331	39,251,873	50,465,468	62,013,053

Wind Turbine Farm Economic Viability Model

Windstorm Power Company

GAAP Income Statement

for the twelve months ended December 31
(in \$US)

	2011	2012	2013	2014	2015	2016	2017
Net Sales	18,449,050	18,633,541	18,819,876	19,008,075	19,198,156	19,390,137	19,584,039
Cost of Goods Sold (O&M Expenses)	2,646,482	2,699,411	2,753,400	2,808,468	2,864,637	2,921,930	2,980,368
Gross Operating Profit	15,802,569	15,934,130	16,066,477	16,199,608	16,333,519	16,468,208	16,603,671
Depreciation & Amortization	4,478,496	4,478,496	4,478,496	4,478,496	4,478,496	4,478,496	4,478,496
Selling, Administrative, and General Expenses	1,054,088	1,075,170	1,096,673	1,118,607	1,140,979	1,163,798	1,187,074
Net Operating Profit	10,269,985	10,380,464	10,491,308	10,602,505	10,714,044	10,825,914	10,938,100
Interest Expense	2,873,161	2,762,736	2,642,373	2,511,178	2,368,174	2,212,301	2,042,399
Interest (Income)	(1,240,261)	(1,478,034)	(1,717,676)	(1,857,063)	(1,998,407)	(2,141,642)	(2,286,691)
Earnings before Taxes	8,637,085	9,095,762	9,566,611	9,948,390	10,344,277	10,755,254	11,182,392
Current Income Tax	-	254,773	5,618,043	5,770,754	5,929,109	6,093,500	6,264,355
Deferred Income Taxes	3,454,834	3,383,531	(1,791,398)	(1,791,398)	(1,791,398)	(1,791,398)	(1,791,398)
Net Earnings	5,182,251	5,457,457	5,739,966	5,969,034	6,206,566	6,453,153	6,709,435

Windstorm Power Company

GAAP Balance Sheet

at December 31
(in \$US)

	2011	2012	2013	2014	2015	2016	2017
Assets							
Cash	73,901,693	85,883,811	92,853,147	99,920,354	107,082,091	114,334,540	121,673,370
Fixed Assets	84,330,000	84,330,000	84,330,000	84,330,000	84,330,000	84,330,000	84,330,000
Accumulated Depreciation	(29,515,500)	(33,732,000)	(37,948,500)	(42,165,000)	(46,381,500)	(50,598,000)	(54,814,500)
Intangible Assets							
Underwriting Fees	5,239,915	5,239,915	5,239,915	5,239,915	5,239,915	5,239,915	5,239,915
Accumulated Amortization	(1,833,970)	(2,095,966)	(2,357,962)	(2,619,958)	(2,881,953)	(3,143,949)	(3,405,945)
Total Assets	132,122,138	139,625,761	142,116,600	144,705,312	147,388,553	150,162,506	153,022,840
Liabilities and Shareholders' Equity							
Long Term Debt	30,697,068	29,359,702	27,901,974	26,313,050	24,581,122	22,693,322	20,635,619
Deferred Income Taxes	18,113,248	21,496,780	19,705,381	17,913,983	16,122,585	14,331,186	12,539,788
Common Share Capital	56,141,949	56,141,949	56,141,949	56,141,949	56,141,949	56,141,949	56,141,949
Qty issued	22,000,000						
Retained Earnings	27,169,872	32,627,329	38,367,296	44,336,330	50,542,896	56,996,049	63,705,484
Total Liabilities and Shareholders' Equity	132,122,138	139,625,761	142,116,600	144,705,312	147,388,553	150,162,506	153,022,840

Windstorm Power Company

GAAP Cash Flow Statement

for the twelve months ended December 31
(in \$US)

	2011	2012	2013	2014	2015	2016	2017
Cash Generated from (used in)							
Operating Activities							
Net Earnings	5,182,251	5,457,457	5,739,966	5,969,034	6,206,566	6,453,153	6,709,435
Depreciation	4,478,496	4,478,496	4,478,496	4,478,496	4,478,496	4,478,496	4,478,496
Deferred Income Taxes	3,454,834	3,383,531	(1,791,398)	(1,791,398)	(1,791,398)	(1,791,398)	(1,791,398)
Net Cash Flows - Operating Activities	13,115,581	13,319,484	8,427,064	8,656,132	8,893,664	9,140,250	9,396,533
Financing Activities							
Long Term Debt	(1,226,941)	(1,337,366)	(1,457,729)	(1,588,924)	(1,731,927)	(1,887,801)	(2,057,703)
IPO	-	-	-	-	-	-	-
Dividends	-	-	-	-	-	-	-
Net Cash Flows - Financing Activities	(1,226,941)	(1,337,366)	(1,457,729)	(1,588,924)	(1,731,927)	(1,887,801)	(2,057,703)
Investing Activities							
Purchase of Plant, Property and Equipment	-	-	-	-	-	-	-
Underwriting Fees	-	-	-	-	-	-	-
Net Cash Flows - Investing Activities	-	-	-	-	-	-	-
Increase (Decrease) in Cash	11,888,640	11,982,119	6,969,335	7,067,208	7,161,736	7,252,449	7,338,830
Opening Cash Balance	62,013,053	73,901,693	85,883,811	92,853,147	99,920,354	107,082,091	114,334,540
Ending Cash Balance	73,901,693	85,883,811	92,853,147	99,920,354	107,082,091	114,334,540	121,673,370

Wind Turbine Farm Economic Viability Model

Windstorm Power Company

GAAP Income Statement

for the twelve months ended December 31
(in \$US)

	2018	2019	2020	2021	2022	2023	2024
Net Sales	19,779,879	19,977,678	20,177,455	20,379,229	20,583,022	20,788,852	20,996,740
Cost of Goods Sold (O&M Expenses)	3,039,976	3,100,775	3,162,791	3,226,046	3,290,567	3,356,379	3,423,506
Gross Operating Profit	16,739,904	16,876,903	17,014,664	17,153,183	17,292,454	17,432,473	17,573,234
Depreciation & Amortization	4,478,496	4,478,496	4,478,496	4,478,496	4,478,496	4,478,496	4,478,496
Selling, Administrative, and General Expenses	1,210,816	1,235,032	1,259,733	1,284,927	1,310,626	1,336,838	1,363,575
Net Operating Profit	11,050,592	11,163,375	11,276,436	11,389,760	11,503,332	11,617,139	11,731,163
Interest Expense	1,857,206	1,655,345	1,435,317	1,195,486	934,071	649,128	338,541
Interest (Income)	(2,433,467)	(2,581,874)	(2,731,799)	(2,883,121)	(3,035,699)	(3,189,380)	(3,343,991)
Earnings before Taxes	11,626,854	12,089,904	12,572,918	13,077,394	13,604,961	14,157,391	14,736,613
Current Income Tax	6,442,140	6,627,360	6,820,565	7,022,356	7,233,383	7,454,355	7,686,044
Deferred Income Taxes	(1,791,398)	(1,791,398)	(1,791,398)	(1,791,398)	(1,791,398)	(1,791,398)	(1,791,398)
Net Earnings	6,976,112	7,253,942	7,543,751	7,846,436	8,162,976	8,494,434	8,841,968

Windstorm Power Company

GAAP Balance Sheet

at December 31
(in \$US)

	2018	2019	2020	2021	2022	2023	2024
Assets							
Cash	129,093,684	136,589,967	144,156,030	151,784,948	159,468,991	167,199,549	174,967,054
Fixed Assets	84,330,000	84,330,000	84,330,000	84,330,000	84,330,000	84,330,000	84,330,000
Accumulated Depreciation	(59,031,000)	(63,247,500)	(67,464,000)	(71,680,500)	(75,897,000)	(80,113,500)	(84,330,000)
Intangible Assets							
Underwriting Fees	5,239,915	5,239,915	5,239,915	5,239,915	5,239,915	5,239,915	5,239,915
Accumulated Amortization	(3,667,941)	(3,929,936)	(4,191,932)	(4,453,928)	(4,715,924)	(4,977,919)	(5,239,915)
Total Assets	155,964,658	158,982,445	162,070,013	165,220,436	168,425,983	171,678,045	174,967,054
Liabilities and Shareholders' Equity							
Long Term Debt	18,392,723	15,947,966	13,283,181	10,378,566	7,212,535	3,761,561	-
Deferred Income Taxes	10,748,390	8,956,992	7,165,593	5,374,195	3,582,797	1,791,398	(0)
Common Share Capital	56,141,949	56,141,949	56,141,949	56,141,949	56,141,949	56,141,949	56,141,949
Qty issued	22,000,000						
Retained Earnings	70,681,597	77,935,539	85,479,290	93,325,726	101,488,702	109,983,137	118,825,105
Total Liabilities and Shareholders' Equity	155,964,658	158,982,445	162,070,013	165,220,436	168,425,983	171,678,045	174,967,054

Windstorm Power Company

GAAP Cash Flow Statement

for the twelve months ended December 31
(in \$US)

	2018	2019	2020	2021	2022	2023	2024
Cash Generated from (used in)							
Operating Activities							
Net Earnings	6,976,112	7,253,942	7,543,751	7,846,436	8,162,976	8,494,434	8,841,968
Depreciation	4,478,496	4,478,496	4,478,496	4,478,496	4,478,496	4,478,496	4,478,496
Deferred Income Taxes	(1,791,398)	(1,791,398)	(1,791,398)	(1,791,398)	(1,791,398)	(1,791,398)	(1,791,398)
Net Cash Flows - Operating Activities	9,663,210	9,941,040	10,230,848	10,533,534	10,850,074	11,181,532	11,529,066
Financing Activities							
Long Term Debt	(2,242,896)	(2,444,757)	(2,664,785)	(2,904,615)	(3,166,031)	(3,450,974)	(3,761,561)
IPO	-	-	-	-	-	-	-
Dividends	-	-	-	-	-	-	-
Net Cash Flows - Financing Activities	(2,242,896)	(2,444,757)	(2,664,785)	(2,904,615)	(3,166,031)	(3,450,974)	(3,761,561)
Investing Activities							
Purchase of Plant, Property and Equipment	-	-	-	-	-	-	-
Underwriting Fees	-	-	-	-	-	-	-
Net Cash Flows - Investing Activities	-	-	-	-	-	-	-
Increase (Decrease) in Cash	7,420,314	7,496,283	7,566,063	7,628,918	7,684,043	7,730,558	7,767,504
Opening Cash Balance	121,673,370	129,093,684	136,589,967	144,156,030	151,784,948	159,468,991	167,199,549
Ending Cash Balance	129,093,684	136,589,967	144,156,030	151,784,948	159,468,991	167,199,549	174,967,054

Wind Turbine Farm Economic Viability Model

Windstorm Power Company

GAAP Income Statement

for the twelve months ended December 31
(in \$US)

	2025	2026	2027	2028	2029	2030	2031
Net Sales	21,206,708	21,418,775	21,632,962	21,849,292	22,067,785	-	-
Cost of Goods Sold (O&M Expenses)	3,491,976	3,561,816	3,633,052	3,705,713	3,779,828	-	-
Gross Operating Profit	17,714,731	17,856,959	17,999,910	18,143,579	18,287,957	-	-
Depreciation & Amortization Selling, Administrative, and General Expenses	1,390,847	1,418,664	1,447,037	1,475,978	1,505,497	-	-
Net Operating Profit	16,323,885	16,438,295	16,552,873	16,667,601	16,782,460	-	-
Interest Expense	-	-	-	-	-	-	-
Interest (Income)	(3,499,341)	(3,737,220)	(3,979,326)	(4,225,712)	(4,476,432)	-	-
Earnings before Taxes	19,823,226	20,175,515	20,532,199	20,893,313	21,258,892	-	-
Current Income Tax	7,929,290	8,070,206	8,212,880	8,357,325	8,503,557	-	-
Deferred Income Taxes	-	-	-	-	-	-	-
Net Earnings	11,893,935	12,105,309	12,319,320	12,535,988	12,755,335	-	-

Windstorm Power Company

GAAP Balance Sheet

at December 31
(in \$US)

	2025	2026	2027	2028	2029	2030	2031
Assets							
Cash	186,860,989	198,966,298	211,285,618	223,821,606	236,576,941	-	-
Fixed Assets	84,330,000	84,330,000	84,330,000	84,330,000	84,330,000	-	-
Accumulated Depreciation	(84,330,000)	(84,330,000)	(84,330,000)	(84,330,000)	(84,330,000)	-	-
Intangible Assets							
Underwriting Fees	5,239,915	5,239,915	5,239,915	5,239,915	5,239,915	-	-
Accumulated Amortization	(5,239,915)	(5,239,915)	(5,239,915)	(5,239,915)	(5,239,915)	-	-
Total Assets	186,860,989	198,966,298	211,285,618	223,821,606	236,576,941	-	-
Liabilities and Shareholders' Equity							
Long Term Debt	-	-	-	-	-	-	-
Deferred Income Taxes	(0)	(0)	(0)	(0)	(0)	-	-
Common Share Capital	56,141,949	56,141,949	56,141,949	56,141,949	56,141,949	-	-
Qty issued	22,000,000						
Retained Earnings	130,719,040	142,824,349	155,143,668	167,679,657	180,434,992	-	-
Total Liabilities and Shareholders' Equity	186,860,989	198,966,298	211,285,618	223,821,606	236,576,941	-	-

Windstorm Power Company

GAAP Cash Flow Statement

for the twelve months ended December 31
(in \$US)

	2025	2026	2027	2028	2029	2030	2031
Cash Generated from (used in)							
Operating Activities							
Net Earnings	11,893,935	12,105,309	12,319,320	12,535,988	12,755,335	-	-
Depreciation	-	-	-	-	-	-	-
Deferred Income Taxes	-	-	-	-	-	-	-
Net Cash Flows - Operating Activities	11,893,935	12,105,309	12,319,320	12,535,988	12,755,335	-	-
Financing Activities							
Long Term Debt	-	-	-	-	-	-	-
IPO	-	-	-	-	-	-	-
Dividends	-	-	-	-	-	-	-
Net Cash Flows - Financing Activities	-	-	-	-	-	-	-
Investing Activities							
Purchase of Plant, Property and Equipment	-	-	-	-	-	-	-
Underwriting Fees	-	-	-	-	-	-	-
Net Cash Flows - Investing Activities	-	-	-	-	-	-	-
Increase (Decrease) in Cash	11,893,935	12,105,309	12,319,320	12,535,988	12,755,335	-	-
Opening Cash Balance	174,967,054	186,860,989	198,966,298	211,285,618	223,821,606	-	-
Ending Cash Balance	186,860,989	198,966,298	211,285,618	223,821,606	236,576,941	-	-