Cost-Effective Alternative and Renewable Energy Sources Should Play a Role in Developing a Balanced Energy Future

- Energy efficiency
- Modernize existing resources
- Renewable/Alternative energy sources
PEF is Committed to Cost-Effective Renewables and Alternative Energy Sources

- PEF has over 1,500 MW under contract from QFs
  - 682 MW are firm, built and interconnected

PEF’s purchased more Renewable energy in 2010 than of any other Florida utility
PEF’s Renewable Resources

- 378 MW of firm renewable energy under contract
  - 173 MW in operation
  - 145 MW approved and under development
  - 60 MW executed and Docketed for FPSC review
  - Four renewable suppliers have executed as-available agreements

PEF’s Renewable capacity has more than doubled since 2009
PEF’s Request for Renewables (RFR)

● PEF Maintains an Open “RFR”

● The Open RFR allows for:
  ▪ A Renewable Contact Database
  ▪ Understanding Renewable Project requirements
  ▪ Sharing PEF’s requirements

● Targets In-State Renewable Energy Sources
PEF’s Renewable Project Development

- Characteristics of Viable Large Utility-Scale Projects
  - Straight forward technology
  - Financing expertise
  - Interconnection ability
  - Permitting and public affairs
  - Ability to operate and perform
PEF’s Renewable Project Progression

- Meaningful information to measure progress includes:
  - Real Estate Acquisition
  - Grid Interconnection
  - Permitting
  - Deposits
As-Available Tariff-type contracts are Non-firm

Two suppliers have executed solar contracts
  - National Solar (~400 MW)
  - Blue Chip Energy (~50 MW)

PEF has more solar under contract than any other Florida utility
Nine Solar As-Available contracts
  - Land broker and Short List of Counties
    - Gadsden, Hardee, Osceola, Suwannee
    - Hardee County land purchase, (~400 MW)

Facilities are expected to be on-line by the end of 2014

Hansel Phelps Construction Co. is under contract for the design, construction and O&M of the facilities

Established financing relationships with multiple large US commercial banks
Blue Chip Energy - Status Update

- Two Solar As-Available contracts

- Rinehart Facility, Seminole County – (~10 MW)
  - Located at solar panel manufacturing plant in Lake Mary
  - Installed 1.2 MW on roof top; utilizing Net Metering Tariff
  - Remaining 8 MW will be ground mounted
Blue Chip Energy – Status Update, Cont.

- Sorrento Facility, Lake County (~40 MW)
  - Land purchased
  - Zoning completed
  - System Impact Study is underway
  - Anticipated ground breaking 3Q 2011

- Blue Chip Energy will act as EPC contractor

- Self-funded and anticipating DOE’s Section 1603 tax credits
Blue Chip Energy – Sorrento Facility
PEF’s Biomass Contracts - Update

- Biomass facilities delivering renewable energy
  - Lake County MSW – 12.75 MW
  - Metro-Dade County MSW – 43 MW
  - Pasco County MSW – 23 MW
  - Pinellas County MSW – 54.75 MW
  - Ridge Generating Station Waste Wood – 39.6 MW

PEF has more Biomass online than any other Florida utility
Biomass contracts under development:

- Biomass Gas & Electric – 45 MW
- FB Energy – 60 MW
- Trans World Energy – 40 MW
- US EcoGen – 60 MW

PEF has more biomass under development than any other Florida utility
Rentech is new Project owner, NWFREC (45 MW)

- Land has been acquired
  - Port St. Joe

- Air permit has been received

- Term sheets in place with fuel suppliers, additional contracts expected soon

- EPC negotiations underway

- System Impact Study near completion
Financing Challenges:
- Expected loan guarantees from the DOE under the Section 1705 program
- DOE gave BG&E the opportunity to move to the Section 1703 program
- No word has been received from the DOE since May

Alternative financing structures are being pursued
- Term sheet with a Korean investor
FB Energy - Status

- 60 MW Project
- Land has been acquired
- Permitted in underway
- EPC contractor has been identified
- Financing negotiations are underway
TransWorld Energy – Status Update

● A site for the 40 MW Facility has been identified and the purchase is being finalized

● Received positive response and favorable pricing from potential fuel suppliers in the area

● Received interest in financing this project and is evaluating potential financing offers
PEF’s As-Available Biomass Contracts

- Eliho Energy, (~8 MW)
- E2E2, (~30 MW)
- Financial closing is expected soon for both projects