Hoosac Wind Farm
PILOT Negotiation Experience

June 28, 2011
PILOT (Payment In Lieu Of Taxes) of Negotiation Experience – Hoosac Wind Farm

• Significance: Tax Burden Wind vs Conventional Generation

Current Hourly Marginal Price Data

Disclaimer: The following real-time LMPs are provisional and subject to verification.

Hourly System Demand: 15343 MW
2011-06-26, hour ending 13

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PILOT Negotiations - Process

Education – Tax Jurisdictions (TJ’s)
- PILOT Process
- Wind Generation

Third Party Consultants
- Provide Comfort/Confidence to TJ’s
- No Exact “Right” Answer – Wind and Capex +/- 10% best.

Negotiation
- Skepticism by TJ’s
- Lengthy with consultants

Drafting
- Some examples
- DOR requirements/Review

Timing – Can be lengthy process