

FTP POWER LLC
2180 South 1300 East, Suite 500
Salt Lake City, Utah 84109

August 14, 2015

Wyoming Department of Environmental Quality
Industrial Siting Council
Herschler Building 4 West
Cheyenne, WY 82002

Re: The Pioneer Wind Parks Energy Project, in Converse County, Wyoming (the “Pioneer Project”); Docket No. DEQ/ISD 10-02.

To the Members of the Wyoming Industrial Siting Council:

FTP Power LLC, a Delaware limited liability company (“**FTP Power**”), together with its wholly-owned subsidiary, Sustainable Power Group LLC, a Delaware limited liability company (“**sPower**”), is pleased to submit this letter to the Wyoming Industrial Siting Council (the “**Council**”) to confirm its commitment to the above-referenced Pioneer Project and to satisfy Special Condition #19 of the Findings of Fact, Conclusions of Law and Order Granting Permit Application with Conditions and Allocating Impact Assistance Funds of the Council issued July 18, 2011 and the subsequent amendments thereto (the “**Permit**”).

Background

On February 2, 2011 Wasatch Wind Intermountain LLC, a Delaware limited liability company (“**Wasatch**”), through its subsidiaries Pioneer Wind Park I, LLC and Pioneer Wind Park II, LLC, both Delaware limited liability companies (collectively, “**Permittee**”), filed its application (the “**Application**”) with the Council for an industrial siting permit to develop, construct, maintain, operate, decommission and reclaim the Pioneer Project as a wind-powered electricity generating project and facility in Converse County, Wyoming. The Council granted the Application and issued the Permit on July 18, 2011 subject to certain conditions set forth in the Permit, including Special Condition #19 which provides as follows:

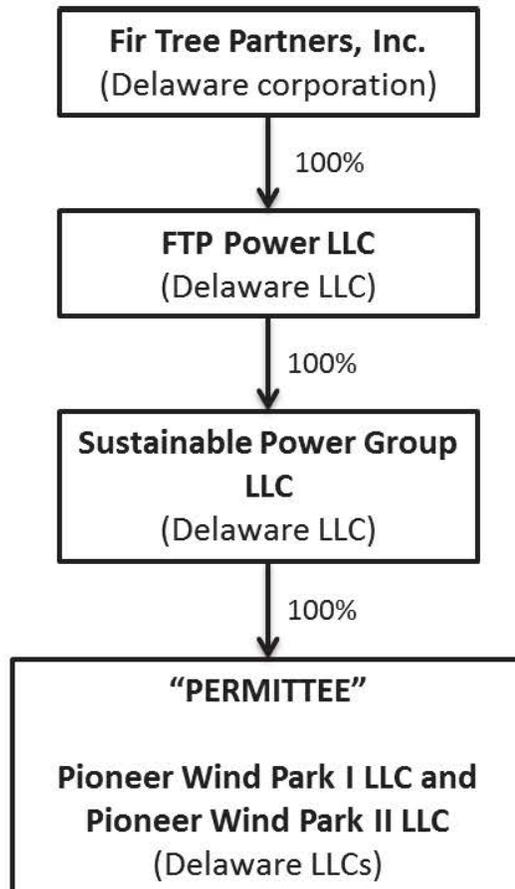
Prior to the start of construction, Permittee shall provide evidence acceptable to the Council, upon recommendation of the Industrial Siting Division, that the Permittee has obtained sufficient financial resources to construct, maintain, operate, decommission and reclaim the facility.

Effective August 13, 2015, FTP Power through its wholly-owned subsidiary, sPower, acquired the Pioneer Project from Wasatch as a result of sPower's purchase of all of the ownership equity interests of Permittee.

As the new owner of the Pioneer Project, FTP Power submits this letter to the Council on behalf of itself and its wholly-owned subsidiary, sPower, to confirm its commitment to the successful development, construction, maintenance, operation, decommission, and reclamation of the Pioneer Project and to prove for the Council that Permittee has sufficient financial resources to fully satisfy Special Condition #19 of the Permit.

Financial Resources of Permittee and Commitment to the Pioneer Project

As noted above, Permittee is now a wholly-owned subsidiary of sPower which is in turn a wholly-owned subsidiary of FTP Power, which is in turn wholly-owned by New York based investment firm Fir Tree Partners, Inc., a Delaware corporation ("**Fir Tree**"). For convenience, below is a summary ownership organizational chart of the Pioneer Project ownership:



Below is a brief summary description of each of the above entities in the ownership structure for Permittee:

(1) Fir Tree Partners

Fir Tree is the ultimate parent entity for the Pioneer Project. Founded in 1994, Fir Tree has approximately \$13 billion of capital under management and is considered among the most innovative global investment firms over the last two decades. Fir Tree invests in several industries, including public equities, credit, distressed debt and real estate on a global basis across all industry groups. Additionally Fir Tree actively invests in the renewable energy sector, by and through its wholly-owned subsidiaries, which include FTP Power and sPower. For more information about Fir Tree, please visit its webpage at www.firtree.com.

(2) FTP Power and sPower

FTP Power and sPower are the direct parent and controlling entities of Permittee and the Pioneer Project, with sPower as the principal development and operating subsidiary entity for FTP Power. Headquartered in Salt Lake City, Utah, and with offices in San Francisco and New York, sPower is an independent power producer with a deeply experienced management team with more than 20 years' success in energy project management. sPower owns and operates over 150 projects and has more than one gigawatt's worth of projects in current construction or development. sPower's other projects are located throughout the United States, including in Arizona, California, Connecticut, Hawaii, Indiana, Massachusetts, New Jersey, New York, North Carolina and Utah. For more information about sPower, please visit its webpage at www.spower.com. Note that since FTP Power is the holding entity for sPower and all operations are conducted out of and through sPower, FTP Power does not have a separate webpage from sPower.

(3) Pioneer Wind Park I, LLC and Pioneer Wind Park II, LLC – Permittee

As noted above, on August 13, 2015 sPower acquired from Wasatch all of the equity interests of the Permittee. Over the past several years, Wasatch has made significant financial investments and conducted extensive activities to prepare the Pioneer Project for development, including securing land control and other legal rights for the Pioneer Project; producing major environmental and other studies necessary to obtain project permits; performing extensive design and engineering work; forming useful commercial partnerships; and obtaining the Permit.

sPower believes that the Pioneer Project is ready for successful completion, and is pleased to assume ownership, control and funding responsibilities to construct, maintain, operate, decommission and reclaim the Pioneer Project. The Pioneer Project will add to sPower's significant production capability and help sPower meet its customers' extensive power purchasing requirements. sPower views the Pioneer Project as an integral part of

its growth model and is committed to the successful completion and operation, and ultimate decommission and reclamation of the Pioneer Project.

FTP Power and sPower Financial Resources

(1) Financial Resources for Project Construction

Given the financial strength of FTP Power and sPower, the Pioneer Project can be funded 100% by capital contributions from them, or FTP Power and sPower may finance some project construction activities through construction loans with one or more of its lending partners. FTP Power and sPower have used both forms of financing with other projects so they are experienced in both processes. Ultimately, of course, the final form of financing will be based upon market forces, economic conditions and other relevant business considerations.

FTP Power is a private company and typically does not release its financial statements or other financial information to the public. However, as evidence of FTP Power's and sPower's financial strength and capability to fund the Pioneer Project, included with this letter are the following:

1. A letter dated July 9, 2015 from Novogradac & Company, L.L.P., the independent auditor for FTP Power and sPower ("**Auditor's Letter**"), confirming that the amount of FTP Power's members' equity of as of December 31, 2014 (the date of most recent annual audit) exceeds \$120 million. The Auditor's Letter is attached hereto as **Appendix 1**; and
2. The Consolidated Balance Sheet of FTP Power (which would include sPower as a consolidated subsidiary) as of June 30, 2015, which is attached hereto as **Appendix 2** ("**Financial Statements**") and which accurately reflects FTP Power's financial condition as of the date of this letter. The total members' equity of FTP Power as of June 30, 2015 exceeded \$784 million.

Upon the commercial operation date of the Pioneer Project, sPower will have long-term tax equity financing in place to repay any construction financing and support the continued operation and maintenance and ultimate decommissioning and reclamation of the Pioneer Project.

As reflected in the Auditor's Letter and Financial Statements, FTP Power has the financial capability and, furthermore, is committed to fund, by and through sPower to Permittee, all amounts necessary to complete the construction and continued operation and maintenance of the Pioneer Project.

(2) Financial Resources for Project Maintenance and Operation

After construction and successful commencement of commercial operation of the Pioneer Project, FTP Power and sPower project that Pioneer Project maintenance and operating costs would be paid out of revenues from power sales from the Pioneer Project. This conclusion is based upon calculations derived from the Power Purchase Agreement (Renewable Energy) (“**PacifiCorp PPA**”), dated April 11, 2014 between Permittee and PacifiCorp. The PacifiCorp PPA reflects the commitment of PacifiCorp to purchase power from the Pioneer Project for a period of 20 years after commercial operation at the prices set forth in the PacifiCorp PPA. In addition to revenues from the sale of power generation pursuant to the PacifiCorp PPA, the Pioneer Project would continue to have the financial support and backing of the FTP Power balance sheet.

Accordingly, Permittee through FTP Power and sPower has the financial resources to maintain and operate the Pioneer Project.

(3) Financial Resources for Project Decommissioning and Reclamation

It was initially estimated at the time that the Permit was issued that decommissioning and reclamation costs for the Pioneer Project would be approximately \$18,767,000. The Permittee has submitted to the Council for its approval an amendment to reduce the estimated decommissioning and reclamation costs to \$9,792,000.

Special Condition #15 of the Permit requires that Permittee obtain a surety bond in an amount acceptable to the Council, as security for the payment of decommissioning and reclamation costs. FTP Power and sPower will assist in the obtaining of such surety bond, on Permittee’s behalf. As demonstrated by the Auditor’s Letter and Financial Statements, FTP Power and sPower have sufficient financial resources to secure such a bond. In support of this, attached hereto in **Appendix 3** is a preliminary commitment letter addressed to the Council dated July 14, 2015 from Philadelphia Insurance Companies, a A++ AM BEST rated surety/insurance company reflecting its willingness to issue the necessary surety bonding for the Pioneer Project.

As such, Permittee through FTP Power and sPower has the financial resources to decommission and reclaim the Pioneer Project.

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FTP Power is pleased to furnish this letter to the Council to fulfill Special Condition # 19 of the Permit and thanks the Council for its attention and consideration. If you have any questions concerning this letter or its attachments, please feel free to contact Val Angelkov, Managing Director, at 801-679-3550.

Very truly yours,

FTP POWER LLC



Ryan Creamer
Chief Executive Officer

APPENDIX 1

AUDITOR'S LETTER

[attached]

July 9, 2015

Mr. Bob Wowk
Chief Financial Officer
FTP Power LLC
2180 South 1300 East, Suite 600
Salt Lake City, UT 84106

Dear Mr. Wowk:

Per your request, this letter is to confirm that we have audited, in accordance with auditing standards generally accepted in the United States of America, the consolidated financial statements of FTP Power LLC and subsidiaries (the "Company") as of and for the year ended December 31, 2014 prepared in accordance with accounting principles generally accepted in the United States of America, and have issued our report thereon dated May 21, 2015. Included in such consolidated financial statements of the Company as of December 31, 2014 is the amount of members' equity, which amount is in excess of \$120 million.

We understand the purpose of this letter is to provide information in connection with a Company subsidiary's application for a state permit requirement from Wyoming Industrial Siting Council for the Pioneer Wind Project and should not be used for any other purpose.

Very truly yours,
NOVOGRADAC & COMPANY LLP

by:



Stephen B. Tracy

APPENDIX 2

FINANCIAL STATEMENTS

[attached]

FTP POWER LLC
CONSOLIDATED BALANCE SHEETS
(in thousands)

	June 30, 2015	December 31, 2014
ASSETS	(unaudited)	
CURRENT ASSETS		
Cash and cash equivalents	\$ 86,305	\$ 61,977
Accounts receivable	5,660	1,647
Prepaid expenses	1,644	1,053
Other short-term receivables	7,369	3,644
Notes receivable - Camborne Capital	2,357	2,275
PPA deposits - short term	7,373	5,373
Other current assets	3,862	137
Total current assets	114,570	76,106
LONG-TERM ASSETS		
Restricted cash	45,577	11,203
PPA deposits - long term	15,612	6,248
Deferred lease asset	2,157	1,634
Construction in progress	437,701	203,315
Solar energy facilities, net	261,647	159,645
Furniture, computer equipment and leasehold improvements, net	1,294	327
Acquired lessee positions, net	5,412	5,621
Land	70,611	57,127
Derivative asset	2,597	-
Intangibles	17,930	-
Goodwill	1,619	766
Total long-term assets	862,157	445,886
TOTAL ASSETS	\$ 976,727	\$ 521,992
LIABILITIES AND MEMBERS' EQUITY		
CURRENT LIABILITIES		
Accounts payable	52,375	18,019
Accrued liabilities	30,329	5,857
Lease payable	1,346	280
Long-term debt, current	313	306
Other current Liabilities	3,739	75
Total current liabilities	88,102	24,537
LONG-TERM LIABILITIES		
Unearned revenue	913	939
Capital lease obligations	1,398	1,426
Asset retirement obligation	2,630	2,431
Long-term debt	90,547	10,414
Derivative liability	-	-
Other long-term liabilities	8,140	-
Total long-term liabilities	103,628	15,210
TOTAL LIABILITIES	191,730	39,747
MEMBERS' EQUITY		
Members' equity	680,230	421,967
Noncontrolling (redeemable and nonredeemable) interest	104,767	60,278
Total members' equity	784,997	482,245
TOTAL LIABILITIES AND MEMBER'S EQUITY	\$ 976,727	\$ 521,992

APPENDIX 3

PRELIMINARY BOND COMMITMENT LETTER

[attached]



PHILADELPHIA INSURANCE COMPANIES

A Member of the Tokio Marine Group

July 14, 2015

Wyoming Department of Environmental Quality
Industrial Siting Division
Herschler Building 4 West
122 West 25th Street
Cheyenne, WY 82002

Re: Pioneer Wind Park I and Pioneer Wind Park II

To the Members of the Wyoming Industrial Siting Council:

Philadelphia Indemnity Insurance Company is favorably predisposed to providing the necessary surety bonding for Sustainable Power Group, LLC (S Power). Philadelphia Indemnity Insurance Company certifies that it currently has an AM BEST rating of A++ with a financial size category of XVII and Treasury Listing capacity greater than \$233 million as of July 1, 2015.

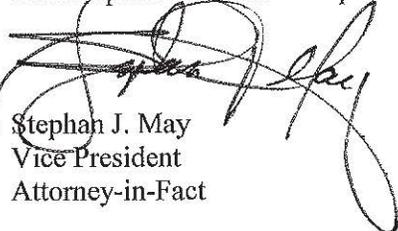
Philadelphia Indemnity Insurance Company has the ability to accommodate the bonding needs of S Power at or above the levels indicated for the projects identified above. Current outstanding exposure for S Power with Philadelphia Indemnity Insurance Company is presently zero.

Again, Philadelphia Indemnity Insurance Company would favorably consider requests from S Power to provide the necessary surety bonding for the above-referenced project(s). Such prequalification and approval would be conditioned upon applicable underwriting considerations such as receipt and review of acceptable contract terms and bond forms, confirmation of satisfactory financing, and favorable review of current underwriting information at the time of the request for the bonds. Naturally, surety bond commitments are subject to continual underwriting reviews, and as such, the representations contained in this letter will expire 07/14/2016.

This letter is not an assumption of liability, nor is it a bid bond or a performance bond. It is issued only as a bonding reference requested from Philadelphia Indemnity Insurance Company by S Power.

Sincerely,

Philadelphia Insurance Companies



Stephan J. May
Vice President
Attorney-in-Fact