



New York Green Marketing and the RPS *A Perfect Match*



Fenner, NY

April 7, 2003 - RPS Collaborative Forum



Directly linking retail demand with high profile, cost-effective new wind energy supply within the local grid



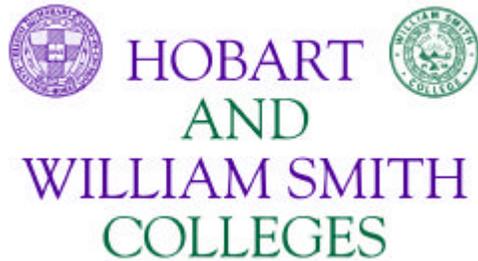


30 MW Fenner Wind Farm





8 million kWh in '03 / 12 million kWh in '04
Largest in NYS



5% Wind - 441,000 kWh/Year



Penguin Putnam Inc
5% Wind - 171,000 kWh/Year



Rep. Maurice Hinchey

Binghamton & Pirney Federal
Buildings: **100% Wind**
1,100,000 kWh/Year



25% Wind - 158,000 kWh/Year

Others (NY/Mid-Atlantic):

Husky, Croton-on-Hudson, GW Lisk,
World Bank, National Geographic, U.S.
Army, 40 Colleges in PA/D.C.



Marketing Partnerships



Niagara Mohawk

A **National Grid** Company



Catch the wind with



NEW WIND ENERGY

A product of Community Energy, Inc.

*an exciting opportunity
for you from NYSEG*





The 15-MW Mill Run Wind Farm
On-Line October 2001



The 9-MW Somerset Wind Farm
On-Line October 2001

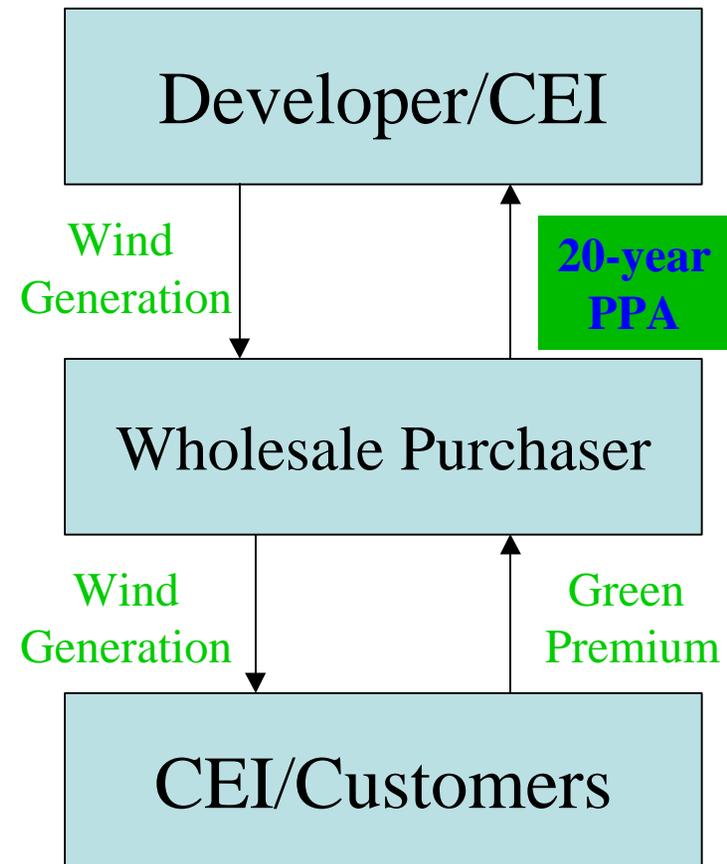


The 60-MW Pocono Wind Farm
On-Line Winter '03



The 66-MW Mountaineer Wind Farm
On-Line Winter 02-03

Structure of the Deal





Background on Green Power Market

Green offerings bundle commodity/physical electricity with green generation attributes.

How they differ:

- New or existing (customers expect their \$ to be building new)
- Grid delivery point (local/distant, in-grid/not)
- Point of bundling of commodity with attributes (wholesale or end-user)
- Price (.4 to 4 cents per kWh)



Green Marketing and the RPS

together create the magic for new wind supply

An RPS should be celebrated (with focus on new, emission-free in NYS)

Market premiums absorb higher cost of bringing on wind in the near term, as RPS ramps up long-term demand – provide impetus for wind PPAs in advance of mandate (creating liquidity and all wind benefits to NYS sooner)

GM allows key utilities to gain confidence, experience and **appetite**

Segment of market willing to pay for more than the minimum



A well structured RPS + support of
Green Marketing = NYS as
nation's leader in emission-free
renewables

