Renewable Energy Finance Meeting
April 5, 2016
The mission of the Green Ribbon Commission is to convene leaders from Boston’s key sectors to support the outcomes of the City’s Climate Action Plan.

City of Boston Greenhouse Gas Emissions Reduction Goals:
- 25% by 2020
- 80% by 2050

Commercial/Industrial Share of City Emissions: 52%
MEETING BACKGROUND

• Green Ribbon Commission Role In Renewable Energy
  – Energy Information Products
  – Renewable Energy Purchasing Group
  – Renewable Energy Leadership Prize

• Today’s Focus:
  – The CFO perspective on renewable energy self-supply and purchasing
MOTIVATORS FOR RENEWABLES PURCHASING

• Elimination of Price Volatility
• Cost Reduction/Hedge
• Environmental Performance Commitments
• Community Health Improvements
• Resilience
Solar Grows As Costs Drop

Falling Prices...

PV Cost per Watt DC

-66% Since 1998

-50% Since 2009

Rapid Growth

350% Growth in 3 Years

Megawatts


WIND GROWS AS COSTS DROP

Deployment and Cost for U.S. Land-Based Wind
2008-2012

Source: U.S. Dept. of Energy, Lazard
Unsubsidized Renewables Reach “Parity”

Source: Lazard estimates.
Note: Darkened areas in horizontal bars represent low end and high end levelized cost of energy corresponding with ±25% fuel price fluctuations.
CHALLENGES

• Deal Complexity and Lack of Familiarity With Transaction Structures

• Lack of Cost Transparency

• Rapidly Changing Technology and Pricing

• Different Risk Tolerances and ROI Thresholds

• Need for Cross-Organizational Strategic Alignment
MOVING THROUGH THE “KNOWLEDGE FUNNEL”
Some Questions That Have Emerged

• How To Establish Financial Thresholds
• Buy vs. Own Choices
• On vs. Off Balance Sheet Treatment
• Flat Pricing vs. Escalation Clauses
• Coordination with Existing Contracts
• Management of Congestion Risk
• Off Site vs. On Site
• When to Build In “Islanding” Capability For On-Site Systems
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Director  
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A Guide to Electricity Markets, Systems, and Policy in Massachusetts
A Boston Green Ribbon Commission Report

An Introduction to Institutional Renewable Energy Procurement Options in Massachusetts
A Boston Green Ribbon Commission Report

New England Overview
A Guide to Large-Scale Energy Infrastructure Issues in 2011
A Boston Green Ribbon Commission Report

BOSTON
Green Ribbon
COMMISSION
Kaiser Permanente Renewable Energy Program Overview
Boston Green Ribbon Commission

Eric Berzon
Assistant Treasurer & Executive Director, Corporate Finance

April 5, 2016
Agenda

- Kaiser Renewable Program Overview
- Decision and Approval
- Finance issues
KP’s Sustainable Energy Policy

- **Policy Statement:**
  “The health effects of climate change directly impact Kaiser Permanente’s ability to fulfill our promise of quality, affordable healthcare. KP’s Sustainable Energy policy affirms our commitment to implement strategies that reduce greenhouse gas emissions related to our energy consumption and choice of energy sources.”

- “KP’s organizational aim is to reduce greenhouse gas emissions by 30 percent by 2020 from a 2008 baseline”…”plans will take into account”:
  - Energy efficiency in new buildings
  - Energy conservation in existing buildings
  - On-site renewable energy sources
  - Off-site renewable energy sources
  - Renewable energy credits (RECs)

“Kaiser Permanente is committed to creating healthy communities, and it’s critical we work to reduce the impact of our operations on the environment. We all take pride in our focus on prevention at Kaiser Permanente, and that includes taking a stand to reduce greenhouse gas emissions.” - Bernard J. Tyson, Chairman & CEO
# KP’s Sustainable Energy Strategy

<table>
<thead>
<tr>
<th>Element</th>
<th>Description and Results</th>
</tr>
</thead>
<tbody>
<tr>
<td>1) Energy Efficiency in New and Existing Buildings</td>
<td>12 Projects have been Leadership in Energy and Environmental Design (LEED) certified. The Sustainable Resources Council and Regional Energy Officers have spearheaded a X.Y% reduction in energy intensity, measured in KBTU/SF, since 2010. Continuous Commissioning pilot underway.</td>
</tr>
<tr>
<td>2) On-site renewable energy sources</td>
<td>Eleven existing California sites. Eight Hawaii installations. NRG installing solar at 100+ sites in California in 2016/17.</td>
</tr>
<tr>
<td>3) Off-site renewable energy projects</td>
<td>Innovative concept: KP enables construction of utility-scale plant(s) as the credit-worthy off-taker under a 20-year Power Purchase Agreement. The developer utilizes federal tax credits, lowering the cost to KP. Golden Hills wind turbines (Altamont Pass) began operation in December 2015; Blythe Solar (eastern Riverside County) will begin producing energy in July 2016.</td>
</tr>
<tr>
<td>4) Renewable Energy Certificates (REC)</td>
<td>Purchase wholesale renewable energy; retire the associated Renewable Energy Certificates. Only possible in deregulated markets. Short-term deals in place in Maryland and DC.</td>
</tr>
<tr>
<td>5) California Renewable Portfolio Standard (RPS)</td>
<td>Energy providers are required to increase procurement from eligible renewable energy resources to 33% by 2020, 50% by 2030. This reduces KP’s greenhouse gas inventory.</td>
</tr>
</tbody>
</table>

**2008 Emissions:** 850K Metric Tons  
**2020 Goal:** 600K Metric Tons  
**Path to achieving 30% greenhouse gas emissions reduction:**
- Growth: 150K
- Efficiency: 150K
- On-site: 45K
- Off-site: 170K
- RPS: 35K
KP’s Commitment to Renewables

**What’s the BIG DEAL?**

**Offsite Energy**
- 110 MW Solar power capacity to be purchased from Blythe solar plant in Riverside, CA
- 43 MW Wind power capacity to be purchased from turbines at Golden Hills wind farm in Altamont Pass, CA

**Onsite Energy**
- 70 MW Solar power capacity to be installed via new solar arrays added to as many as 120 hospitals & other facilities in CA

**WHERE ELSE ARE WE USING GREEN ENERGY?**

- **MID- ATLANTIC STATES**
  Wind power purchases match 100% electricity use at DC & MD medical office buildings & regional data center

- **COLORADO**
  New solar systems at 2 medical office buildings estimated to generate 1.3 million KWh per year

- **NORTHWEST REGION**
  New solar system at Westside hospital estimated to generate 93,000 KWh per year

- **HAWAII**
  New solar being installed at 6 facilities this year estimated to generate 3.2 million KWh in 2018

- **CALIFORNIA**
  Existing onsite solar at 14 facilities in CA generate 17.5 million KWh of power per year
Purchased Electricity

KP’s changing portfolio from 2014 to 2017

Annual Purchased Electricity (MWh) - All KP
2014 - 2017
(Actual) (Estimate)

<table>
<thead>
<tr>
<th>Year</th>
<th>IOU</th>
<th>Muni</th>
<th>Direct Access (DA)</th>
<th>On-Site Renewable</th>
<th>Off-Site Renewable (hedges DA)</th>
</tr>
</thead>
<tbody>
<tr>
<td>2014</td>
<td>1,097,931</td>
<td>437,156</td>
<td>684,428</td>
<td>18,629</td>
<td>26,567</td>
</tr>
<tr>
<td>2017 w/NRG, NextEra, no Bloom</td>
<td>1,080,618</td>
<td>405,688</td>
<td>615,193</td>
<td>136,645</td>
<td>26,567</td>
</tr>
<tr>
<td>2017 w/NRG, NextEra, and Bloom</td>
<td>900,447</td>
<td>197,440</td>
<td>493,815</td>
<td>136,645</td>
<td>321,166</td>
</tr>
</tbody>
</table>

Megawatt-hrs (MWh)
On-site Renewable Energy Leaders

Executing the strategy will make KP a national leader in renewable energy

KP received the Green Power Leadership Award from the U.S. Environmental Protection Agency in 2013
KP is a National Leader

*Executing the strategy will make KP a national leader in renewable energy*

### Off-site Green Energy Procurement - National Leaders

<table>
<thead>
<tr>
<th>Company</th>
<th>Solar</th>
<th>Wind</th>
<th>Biomass &amp; Waste</th>
<th>Fuel Cells</th>
</tr>
</thead>
<tbody>
<tr>
<td>Google Inc</td>
<td>1,500</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Amazon Web Services Inc</td>
<td>900</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>US Department of Defense</td>
<td>750</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Wal-Mart Stores Inc</td>
<td>600</td>
<td></td>
<td></td>
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<tr>
<td>Equinix</td>
<td>450</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Facebook Inc</td>
<td>350</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Kaiser Permanente</td>
<td>250</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Microsoft Corp</td>
<td>200</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>US General Services...</td>
<td>150</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Mars Inc</td>
<td>125</td>
<td></td>
<td></td>
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<tr>
<td>Dow Chemical</td>
<td>100</td>
<td></td>
<td></td>
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<tr>
<td>Apple Inc</td>
<td>75</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Procter &amp; Gamble</td>
<td>50</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Owens Corning</td>
<td>25</td>
<td></td>
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</tr>
</tbody>
</table>

**Kaiser Permanente**

**Source:** Bloomberg New Energy Finance, company press releases

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**GREEN THE SUPPLY**

**GREEN THE SUPPLY**

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**GREEN POWER**

**Leadership Award Winner 2015**
KP is a National Leader

KP is a co-founder of Business Renewables Center (BNC), leading major corporations by sharing best practices in the renewable energy space.
Decision and Approval

- Objective – achieve environmental sustainability goals without impacting cost trends/affordability. No capital budget. No incremental operating budget.

- Board Approval
  - Meet environmental objectives
  - Risks are understood
  - No negative financial impact anticipated
    - NO SAVINGS ARE PROMISED OR IMPLIED
    - DOING THE RIGHT THING, NOT BECAUSE WE EXPECT TO PROFIT
    - ENTERPRISE BENEFITS FROM DOING THE RIGHT THING

- Leadership Approval
  - Extensive discussion of risks, especially in regard to utility scale off site development. KP relied on our bankers to help us detail these risks
  - Extensive discussion of accounting treatments, especially as impacted by contract language. Potential UBI on gains (unlikely)

- Regional/Local Approval
  - Misunderstanding of purpose of a hedge. A hedge is different from a bet.
  - Focus on budget issues
  - No consensus on cost curves
  - Success involves escalation to senior operating leadership as quickly as possible
Finance and Financial Issues

- Federal/State subsidies are tax based and preclude operating leases with tax-exempt entities, requiring partnerships to access the credit.
- A Power Purchase Agreement is mostly a financing arrangement together with construction agreement.
  - The choice of structure, the negotiation of terms and the contract itself, require scrutiny and leadership from the finance organization.
  - Very few facilities leaders have a sufficient understanding of how these financing arrangements work, the financial implications nor the risks.
- In typical PPA structures, the funders face the developer, not the “off-taker”.
  - Our institutions have unique requirements, our credit is generally better than the typical “off-taker” and our use of facilities is stable across time.
  - As finance organizations, we expect financing to be tailored to our benefit. This is an inherent conflict in the PPA structure.
Finance and Financial Issues

- Kaiser Permanente’s margin is typically in the 3-4% range.
- Energy currently 0.5% of revenue.
- Lower energy costs don’t move the needle, but significant energy increases could impact margins and/or rates.
- PPAs lock in rates for 20-25 years, ownership locks in depreciation expense – compared to anticipated energy escalation.
- What is the relevant escalation curve? DOE projections of 3%, forward curves for 5-8 years imply other rates etc.
  - Everyone in the organization is an “expert” with a different perspective.
- Kaiser PPAs range from 2%-5% depending on when negotiated.
  - High resistance at our operating units to starting points above current pricing.
  - Also resistance to escalation, and debates about future cost curve.
  - Preference for flat pricing, conflicts with being “in the money” year one.
- Starting points below avoided cost and escalating less than market.
Risks and Opportunities

The transaction(s) have exposure to a number of risks. We already hold much of this risk within the Direct Access (wholesale purchase) portfolio, and, indirectly, within the Utility portfolio.

<table>
<thead>
<tr>
<th>Scenario</th>
<th>Likelihood</th>
<th>Potential Impact</th>
<th>Comment</th>
</tr>
</thead>
<tbody>
<tr>
<td>Large fluctuations in electricity costs due to commodity (largely natural gas) prices</td>
<td>Moderate</td>
<td>Uncertain financial impact</td>
<td>If energy prices stay low, our consumption costs will remain relatively low. Should energy prices spike, the contract will mitigate the increased consumption costs.</td>
</tr>
<tr>
<td>Regulatory changes that impact the current Renewable Portfolio Standard and/or increase the cost of carbon emissions</td>
<td>Moderate</td>
<td>Beneficial</td>
<td>In California, the likeliest changes would increase the renewable content requirements and/or impose carbon taxes. Owners of renewable supply would benefit.</td>
</tr>
<tr>
<td>Power market risks, including time-of-day costs and transmission congestion</td>
<td>Low to Moderate</td>
<td>Negative</td>
<td>We have identified those risks that are unique to this transaction and methods to moderate them. Diversifying production at different times of the day (wind/solar) and locations reduces these risks.</td>
</tr>
<tr>
<td>Output is less than anticipated</td>
<td>Very Low</td>
<td>KP falls short of carbon reduction goal; uncertain financial impact</td>
<td>The technology is well-established. Incentives are aligned between NextEra and KP. The projects must produce in order for NextEra to achieve an ROI.</td>
</tr>
</tbody>
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## Risks and Opportunities

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</thead>
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<tr>
<td>Avoided cost may not increase, thus creating a higher Power Purchase Agreement (PPA) rate</td>
<td>Low</td>
<td>Negative</td>
<td>If energy and transmission delivers prices do not escalate, then the PPA rate will create burden to the site. Given the historic trend and projections, this is not likely. Transmission delivers charges, in particular, are forecasted in excess of 3%.</td>
</tr>
<tr>
<td>Regulatory changes that impact the current Renewable Portfolio Standard and/or increase the cost of carbon emissions</td>
<td>Moderate</td>
<td>Beneficial</td>
<td>In California, the likeliest changes would increase the renewables portfolios standard requirements and/or impose carbon taxes. Owners of renewables assets would benefit.</td>
</tr>
<tr>
<td>Output is less than anticipated or system does not work</td>
<td>Very Low</td>
<td>KP falls short of carbon reduction goal; uncertain financial impact</td>
<td>The technology is well-established. The projects must be installed and produce in order for NRG to achieve a return in investment.</td>
</tr>
<tr>
<td>Construction disruption during installation is not tolerable</td>
<td>Low</td>
<td>Negative</td>
<td>NRG and the KP Teams are skilled at managing disruption. It is not likely that sites will be pulled from the program for this reason.</td>
</tr>
<tr>
<td>A technology breakthrough makes the solar panels installed by NRG in 2015/2016 outdated and inefficient.</td>
<td>Low</td>
<td>Likely negative, though a more efficient solar panel will not necessarily reduce costs.</td>
<td>Solar is a mature industry with only incremental increases in efficiency. In the case of a major breakthrough, it may be mutually beneficial to NRG and KP to replace the panels.</td>
</tr>
<tr>
<td>If projects do not proceed, KP loses visible evidence of KP's commitment to energy goals to members, staff, and the public</td>
<td>Very Low</td>
<td>Negative</td>
<td>This is a “brand” risk based on publicly stated and presented corporate goals.</td>
</tr>
</tbody>
</table>
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Ownership and Financing Alternatives for Not-for-Profit Energy Projects

April 5, 2016

Morgan Stanley
**Direct Ownership**

- Not-for-Profit Organization ("NFPO") utilizes cash or debt proceeds to fund energy project
- Project is wholly owned by NFPO
- NFPO utilizes all output from project
- NFPO makes payments to lenders/internal treasury

**PROS**

- Flexibility to use cash or debt
- Could be financed on tax-exempt basis
- Lowest cost of capital
- Taxable corporate subsidiary could be used to benefit from subsidies / grants

**CONS**

- Utilizes system cash/liquidity and/or debt capacity
- Opportunity cost of other strategic investments
- More difficult to argue energy cost replacement strategy
- May not qualify for grants/subsidies
Debt Issuance Process and Offering Materials

Indicative Debt Issuance Timeline

Stage 1: Preparation
- Prepare Offering Statement (“OS”) and Investor Presentation
4 – 5 Weeks

Stage 2: Market and Price
- Distribute offering materials to Investors
- Conduct roadshow and/or conference call
- Receive bids from investors
- Price transaction
1 – 2 Weeks

Stage 3: Finalize Documentation
- Documentation finalized
- Closing and funding occurs
1 Weeks

Debt Issuance Offering Materials

Official Statement
- Marketing document containing the Company description, company history, industry description, key investment highlights, and historical financials

Roadshow Presentation
- Marketing document used to present the Company during the roadshow
- Builds heavily on the Official Statement

Bond Indenture, Loan Agreement and Purchase Agreement
- Drafted by combination of bond counsel, underwriter’s counsel and/or purchaser’s counsel, depending on form of borrowing

• A debt issuance typically requires eight to twelve weeks from start to finish, however, repeat issuers are able to access the market in a shorter timeframe given investors’ familiarity with the credit and the existence of precedent legal documentation

• Taxable offerings can be accomplished faster than tax-exempt due to conduit issuing authority process

• A debt issuance usually requires the following documents:
  – Offering Statement
  – Roadshow Presentation
  – Bond Purchase Agreement

Morgan Stanley
Contractual Agreement with Special Purpose Entity

A Power Purchase Agreement ("PPA") can be structured to allow for off-balance sheet treatment and predefined power cost.

- Special Purpose Entity ("SPE") is established to own and operate the project; ProjectCo LLCs can be utilized to encapsulate project or group of projects.
- SPE will be funded through equity investment and debt from project finance investors.
- PPA is established between NFPO and SPE/ProjectCo.
- The PPA would be a long-term take-and-pay contract between the Not-for-Profit Healthcare entity and the SPE/ProjectCo.
- During the ongoing operation of the project, NFPO will pay for energy produced by ProjectCo as well as any fuel costs under the PPA.
- Excess energy produced by the ProjectCo may be sold to other entities, subject to use and inurement laws.
- The payments would be the sole source of payment to the debt investors in the SPE, with any residual being passed through to the equity investor.
Contractual Agreement with Special Purpose Entity

PROS

• Does not require capital funding from NFPO
• Payments are structured as service contract through operating expenses
• Potential off balance sheet and credit treatment
• May qualify for subsidies and grants

CONS

• Less efficient financing cost due to PPA structure and transfer of risk to SPE
• Trade-off between tax-exempt rates and subsidies/grants
Modifications to Traditional PPA Structure

Creating a Not-for-Profit SPE

- If subsidies/grants are not impactful, we can create a Not for Profit SPE so that the project debt is tax-exempt
- National Not-for-Profit entities exist that will serve as parent corporations over Not for Profit LLC SPEs
- Equity component can be established through subordinate debt tranche

Origination Debt from NFPO

- NFPO can enter into arms length loan with SPE for debt portion of capital structure
Modifications to Traditional PPA Structure

**Aggregation**

- For profit energy companies with critical mass raise equity and debt in the capital markets by pledging the collective PPA payments of off takers
- Similar access could be made available to an aggregation of NFPOs to achieve the most efficient cost of capital
Aggregation Strategy

- **Equity Investor(s)**
  - Return
  - Investment

- **Energy HoldCo**
  - Cash & Tax Flows

- **Lenders (Construction and Takeout)**
  - Debt/Loans
  - Debt Service
  - Fuel

- **ProjectCo, LLC**
  - Equipment Purchase & Service Fees
  - Energy Payments

- **Contractor**
  - Equipment & Services

- **Fuel Supply**
  - Fuel Payments

- **Multiple NFPO Offtakers**
  - Energy Payments

Morgan Stanley
Leveraged Term Loan Market Update

Institutional Term Loan Weekly Issuance
Year over Year

Volume ($Bn)
(%)

Yield

Nov 2014
Lonestar
160M
BB- / B1
L+425

Nov 2014
BBYO
480M
BB / Ba2
L+550

Dec 2014
Astoria Energy I
700M
BB / Ba3
L+425

Mar 2015
Panda Temple I
380M
B / NR
L+550

Apr 2015
Penn Products
600M
BB / Ba2
L+375

Aug 2015
Terasol
280M
BB / Ba3
L+400

Oct 2015
Panda
710M
BB- L+600

Notes
1. Includes both Corporate and Asset level Term Loans
2. Add-on is fungible with December 2014 $700 MM Term Loan B

Institutional Term Loan Weekly Issuance

HYN Cash Index

YTW

HYN Term Loan Weekly Issuance

Morgan Stanley
Project Finance Loan Issuance Trends

North and South American Quarterly US$ Volumes
2009 to Present: Project Finance Syndicated Loan Volumes ($Bn)

Average Deal Size and Credit Spread
2009 - 2014: Syndicated Loans
($MM) Amount Spread to LIBOR (bps)

Project Loan Tenors
2009 - 2014: Syndicated Loans (Yrs)

Note
1. Included volumes are closed, funded proceeds, underwritten, syndicated, and publicly disclosed.
Evolution of ‘BBB-‘ Credit Spreads and Project Bond Coupons (1)
15-Year ‘BBB-‘ Index Spreads: April 2013 – Present

<table>
<thead>
<tr>
<th>Date</th>
<th>Issuer Description</th>
<th>Rating/Issue</th>
<th>WAL</th>
<th>Priced</th>
</tr>
</thead>
<tbody>
<tr>
<td>July 2013</td>
<td>Yelp BBB-(S&amp;P)</td>
<td>BBB-(S&amp;P)</td>
<td>8.4 years</td>
<td>T+433 / 5.75%</td>
</tr>
<tr>
<td>November 2013</td>
<td>LB Courthouse A3 (Moody’s)</td>
<td>WAL: 21.4 years</td>
<td>Priced: G+343 / 6.88%</td>
<td></td>
</tr>
<tr>
<td>December 2013</td>
<td>Reventazón Finance (Baa3/NR/BBB-)</td>
<td>WAL: 14 years</td>
<td>Priced: G+487 / 8.00%</td>
<td></td>
</tr>
<tr>
<td>July 2014</td>
<td>Southern Lights Pipeline NAIC – 1 (A)</td>
<td>WAL: 12 years</td>
<td>Priced: T+150 / 3.98%</td>
<td></td>
</tr>
<tr>
<td>October 2014</td>
<td>SBM Offshore NV NAIC – 2 (BBB-)</td>
<td>WAL: 4 years</td>
<td>Priced: G+217 / 3.50%</td>
<td></td>
</tr>
<tr>
<td>July 2013</td>
<td>Odebrecht Oil &amp; Gas (Baa3/BBB/BBB)</td>
<td>WAL: 6.9 Years</td>
<td>Priced: 6.75%</td>
<td></td>
</tr>
<tr>
<td>September 2013</td>
<td>Continental Wind (Baa3/BBB/BBB)</td>
<td>WAL: 10.3 Years</td>
<td>Priced: T+330 / 6.00%</td>
<td></td>
</tr>
<tr>
<td>April 2014</td>
<td>Abengoa Transmisión (NR/BBB-/BBB-)</td>
<td>WAL: 21 years</td>
<td>Priced: G+375 / 6.88%</td>
<td></td>
</tr>
<tr>
<td>June 2015</td>
<td>Lima Metro Line 2 (Baa1/BBB/BBB)</td>
<td>WAL: 12.8 years</td>
<td>Priced: T+338 / 5.88%</td>
<td></td>
</tr>
<tr>
<td>December 2014</td>
<td>WETT Holdings Baa3 (Moody’s)</td>
<td>WAL: 9 years</td>
<td>Priced: T+205 / 4.31%</td>
<td></td>
</tr>
<tr>
<td>October 2015</td>
<td>Armenia Mountain Wind NAIC – 2 (BBB)</td>
<td>WAL: 4.9 years</td>
<td>Priced: T+190 / 3.26%</td>
<td></td>
</tr>
<tr>
<td>Cube Hydro North America NR</td>
<td>WAL: 10 years</td>
<td>Priced: 4.75%</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Note: Unguaranteed, non-recourse coupons shown; Spread to 10Y UST shown unless denoted as ‘G+’ indicating a spread to the interpolated UST curve.

Source: Bloomberg, Morgan Stanley, PF Magazine

Morgan Stanley
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