



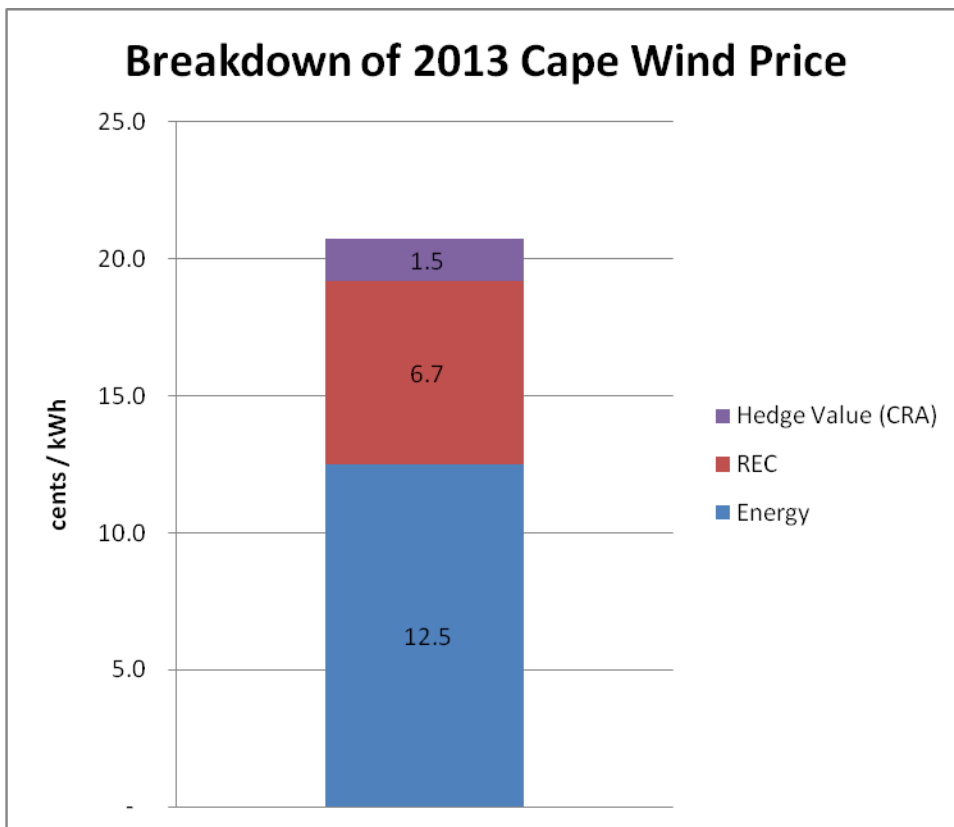
Fact Sheet: Long Term Power Purchase Contract between Cape Wind and National Grid

**National Grid expects that buying power from Cape Wind will result in an increase three years from now of \$1.59 per month for a typical home's electric bill -- *that's about 5 cents a day.***

**A nickel a day for:**

- creating new jobs
- cleaner air
- reduced reliance on oil, coal and gas
- Massachusetts becoming a global leader in offshore clean energy

Cape Wind provides National Grid with a bundle of attributes in this contract that aggregate to 20.7 cents per kilowatt hour. The energy price in 2013 is 12.5 cents per kilowatt hour.

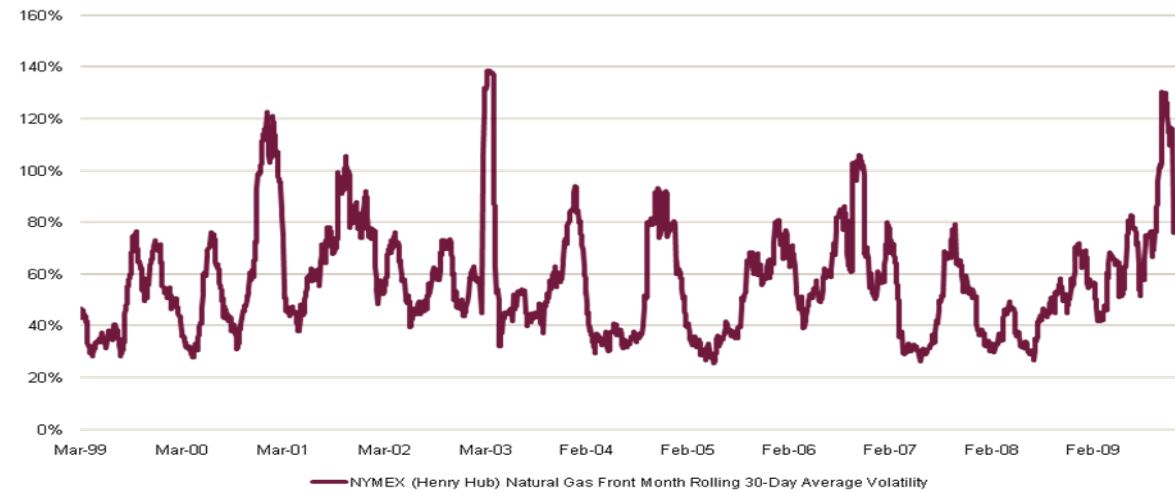


Also keep in mind, National Grid’s estimates are very conservative, we believe that Cape Wind will reduce electricity bills over the life of the contract.

The worldwide economic recession has reduced demand for fossil fuels resulting in temporarily lower electricity prices. If gas, coal and oil prices rise over the next three years as global economies recover, the initial rate impact estimated by National Grid will be reduced. *It is unlikely natural gas and oil prices will stay where they are now...*

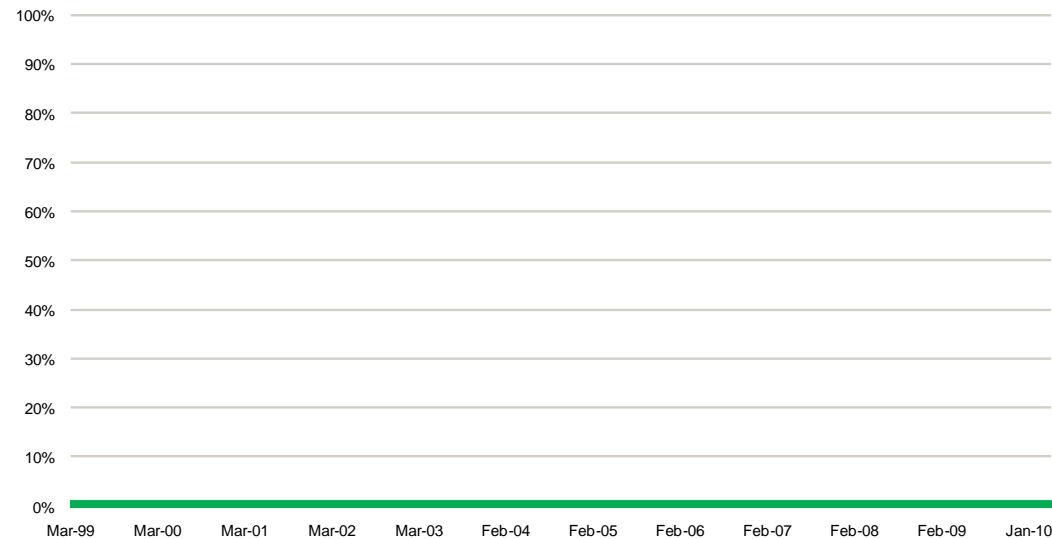
## Volatility of Natural Gas Prices

The following chart shows the volatility and uncertainty of natural gas prices over the last 10 years:



## “Volatility” of Wind Fuel

The following chart shows the “volatility” of wind fuel over the past 10 years:



**Cape Wind provides stable energy prices** for 15 years. *How much will oil or natural gas cost in 15 years as global demand rises?* This contract will insulate a part of National Grid's energy supply from the price volatility of fossil fuels. Cape Wind will also place downward pressure on New England's energy prices and a respected energy research firm, Charles River Associates, concluded that it will **reduce** wholesale electricity prices in New England by **\$4.6 Billion** over twenty years by displacing the most expensive sources of power.<sup>i</sup>

Finally, remember that when we depend on coal, oil and gas to make electricity we don't just pay with our electric bill; we pay with polluted air and higher healthcare costs, we pay with an environment degraded by oil spills, we pay with having to defend global energy supply lines, and we pay with a changing climate. Cape Wind opens up and harnesses our abundant offshore wind resource to meet our electricity needs from a clean, stable and abundant source of energy that also provides us with a safer and more hopeful energy future.

<sup>i</sup> Key analysis from Charles River Associates February 2010 Report, 'Analysis of the Impact of Cape Wind on New England Energy Prices': "In each hour that the price is set by power plants with lower operating costs, rather than higher-cost units displaced by the supply from Cape Wind, the wholesale clearing price will be lower and electricity costs reduced. The variable operating cost of wind turbine generators is almost zero, so electricity from Cape Wind will be offered at the bottom of the regional supply stack in every hour it is available. Hence, Cape Wind will displace higher-cost generation and the associated greenhouse gas emissions in almost every hour of every year, resulting in a reduction in the market price...Power can be purchased through spot markets administered by ISO New England, or through bilateral transactions and forward electricity markets. The power sold from Cape Wind will affect prices in all of these markets, regardless of whether the output is sold under contract or through the spot markets. In fact, all generation, even if under contract, must be scheduled through the ISO New England spot markets. Power that is under contract for physical delivery is simply included at the bottom of the supply stack, therefore directly affecting the spot market. Likewise, expectations about prices in the spot market drive the pricing for forward transactions."

In the diagram below, Independent System Operator of New England 'Bid Stack' used every hour to set the wholesale Energy Clearing Price (ECP) in New England. In a 15 year contract, Cape Wind would bid its production at \$0 every hour into this system, raising the bottom of the bid stack and reducing the Energy Clearing Price throughout the year.

