SOUTHERN POWER INTERNATIONAL

THE SPI COMPANY, 117 BOULEVARD DE L'EXPANSION, 31000 TOULOUSE, FRANCE
E-MAIL: GTK_TeamD@ESC-TOULOUSE.FR

THE WPFC PROJECT

PROPOSAL 1

NOVEMBER 22th, 2000
"THE FUTURE'S BRIGHT...

...THE FUTURE'S SPI"

A message from the Chairman

For now more than ten years, SPI has been providing power from non polluting energies (NPE) : Wind and Sun. The challenge was to offer an efficient service to a low cost, in order to be competitive regarding the traditional nuclear and oil supply sources. SPI now successfully manages more than 6 wind power plants and has been the main architect for two large ones in France (more than 10 MW) and 9 mid-sized ones in Europe (between 2 and 10 MW).

Today, SPI seeks a partner for its development inside and outside Europe. We need competences in order to improve the quality of the power produced, and a strategic view to make NPE become the reference in the liberalized European market. For best results, we are looking for an American or Asian company which owns an experience in wind or solar power production and distribution. The alliance will be an efficient investment in terms of market share and turnover. SPI is enthusiastic to work in partnership and is determined to create value for both shareholders and employees.

We have prepared this document to present you our first proposal in the WPFC joint-venture project. We hope that you will find the information you need. However, if you had any questions, don't hesitate to contact us. My team and I are available to examine any offer you make.

Hoping to meet you soon,
1. THE SPI COMPANY : WHO WE ARE

- **Capital**: 148 millions FRF (French Francs), equiv. 21 millions USD (US Dollars).
- **Net sales (1999)**: 1.1 billion FRF, equiv. 150 millions USD.
- **Net profit (1999)**: 37 millions FRF, eqiv. 6.2 millions USD.
- **Employees**: 5,084 in Europe (4,510 in the Toulouse area).
- **Main shareholders**: Suez-Lyonnaise Group (40%), Alstom Group (35%), State of Midi-Pyrenees (5%), CCF bank (10%) and Barclays bank (5%).
- **Staff**: Anne-Sophie "Anne-So" DUCHESNE (Chairman), Jean-François "Jeff" LACOSTE (Technical director), Jean-Luc "Goupil" DURAND (Legal director), Stéphane KOSKA (Marketing director), Guillaume CHARPENTIER (Financial director).

1.1. SPI Activities

SPI is a French private and independent company. The main activities are: marketing, project management in both wind and solar energy programs, wind farms' exploitation and maintenance. The chart below gives you an idea of our wind power activity with the installed capacity per year.
1.2. SPI organization

Management Group
The management group is composed of experienced and competent people.

Marketing and Sales Department
This staff is responsible for finding potential markets in both solar and wind applications. They must understand the customers’ needs and are in charge of all the contract aspects.

Solar Energy Program Department or Wind Energy Program Department
Once a contract has been signed, responsibility is transferred to the project manager of Solar or Wind Energy Program Department. These departments provide expertise and technical assistance in the field of wind power and solar energy, and offer also a consultancy service covering a wide range of technical, economic and environmental issues concerned with Wind Energy Development.

In the wind power field, the program department provides various services:

- site prospecting,
- wind speed monitoring and data analysis,
- turbines selection and wind farm design,
- negotiation with local partners (EDF regional services),
- economic and profitability assessment,
- environmental impact evaluations,
- background noise survey,
- planning approval
_ selection of partners : financial institutions, local industry, people...
_ raising grants from local communities, regional (Conseils Généraux, Regional Councils), national and European levels,
_ negotiation with land owners (option agreement...),
_ public relations and lobbying,
_ technical and managerial following up.

**Energy Production Department**
This department consists of several wind power units. Exploitation and management of the operation and maintenance of facilities

**Localization of our agencies**
The head office is located in Toulouse in the South West of France. The majority of the activities are run from the head office. In order to be close to our subcontractors and the local authorities involved in our wind power program, our company has set up two agencies located in St Brieux in Brittany and in Montpellier in the South East of France.

![Map of France showing the locations of SPI Wind Power agencies](image)

**SPI Wind Power Activities**

Localization of our current Wind Power Units :

![Map of Europe showing the locations of SPI Wind Power units](image)
In these units, a local staff is ready to operate whenever there is a wind mill’s damage. They also make statistics based on data collected by the different equipments.

**Company’s strategy in the Wind Power field**
SPI strategy is based on an expected global increase of energy consumption and a rise in the level of environmental awareness. Together with its associated companies, SPI aims to be an international market leader.