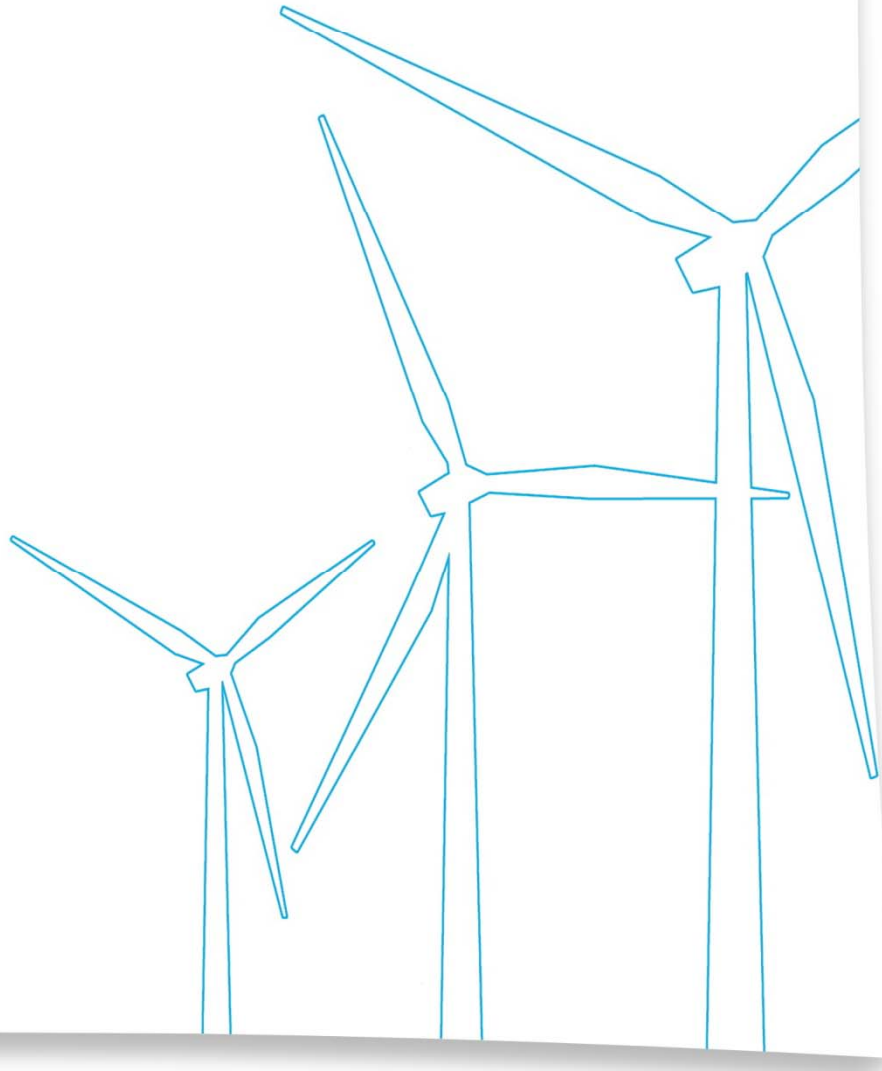
RENEWABLE ENERGY GENERATION

Company overview

September 2010

Andrew Whalley
Chief Executive Officer
Renewable Energy Generation Ltd



Renewable Energy Generation

- Developer, owner, operator of onshore UK wind projects
  - 26.25MW of operating UK wind projects across eight projects
  - 20.5MW under construction
- 350MW project pipeline with 43 active development projects in England and Wales
- Also owns REG Bio-Power
  - Converts waste cooking oil into a fuel called LF100, used for electricity generation
  - Holds the global patent on the IP
- Strong balance sheet after sale of Canadian business in 2009 for $125m Cdn
  - Current net cash of £15m after financing current project build
  - Operating projects being refinanced with long term non recourse debt to release significant further funds for reinvestment
  - Current balance sheet capacity should enable REG to finance over 200MW of new build

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REG Wind

- REG development projects typically between 5MW and 20MW
- Targeting ungeared 20 year IRRs of >12%
- Operating projects now being refinanced with long term debt – end of this year
- Our principle objective is to self develop our own projects but also look at opportunistic acquisitions which may benefit from our expertise
- Particularly interested in repowering opportunities like St Breock and Goonhilly
- Positive environment for;
  - Small acquisitions
  - Turbine procurement
- **Three year strategy to invest at least £100m into new wind projects**
  - **£30m already invested**

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Summary

- Build on existing strategy to deliver projects from concept to operation
- Combination of organic and acquisitive growth
- Continued focus on UK – attractive returns
- Supported by a strong balance sheet
- **Invest £100m into UK renewable energy projects over the next three years**

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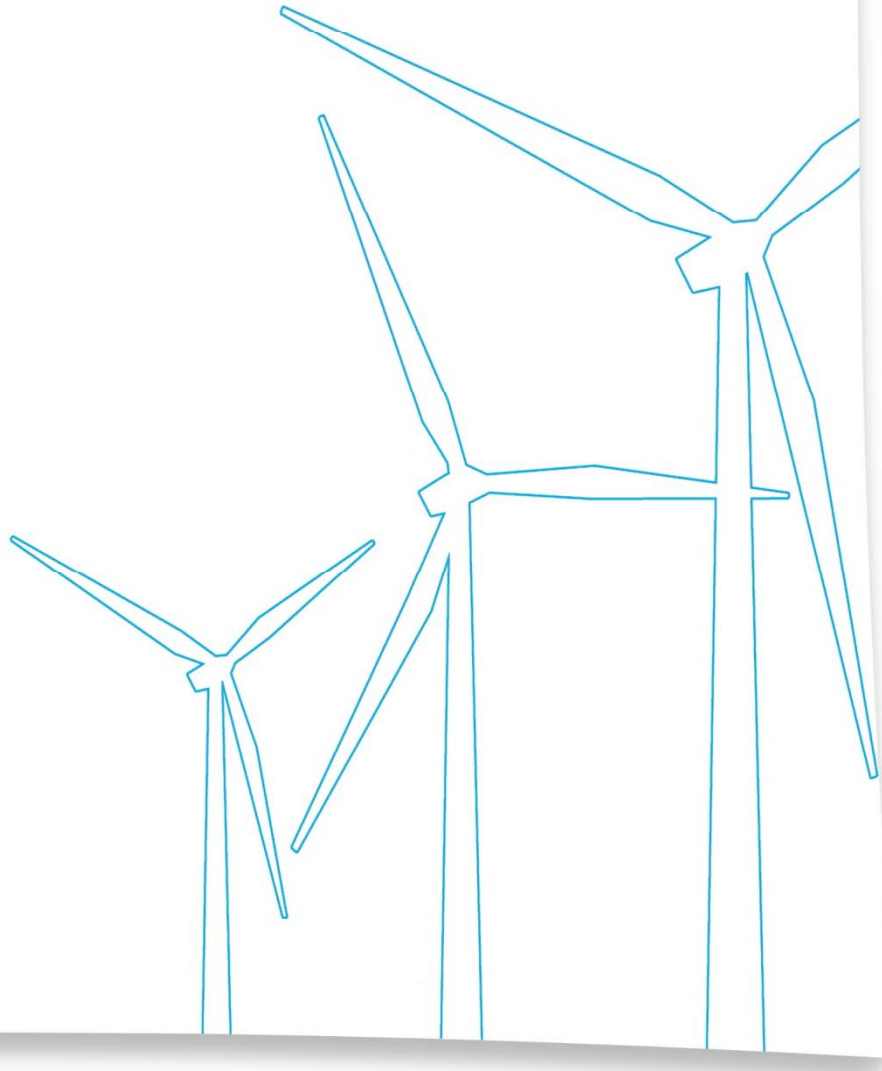
Construction & Wind Operations

Neil Harris
Chief Executive
Cornwall Light & Power



Construction & Operations – 2010 Programme

2010 Construction Projects :

- Goonhilly Downs, Cornwall – Repower
- Loscar Farm, Rotherham – Green Field
- Haswell Hill, Durham – Acquisition project
- Different projects with diverse challenges

Goonhilly - Construction commenced May, 2010.

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Goonhilly Repower

Timeline :

- Planning application December, 2007
- Consent granted August, 2008
- Grid connection installation 2008 – 2009
- Balance of plant tenders received Nov-2009
- Commissioning end September, 2010

Goonhilly Repower - Blade delivery through Truro.

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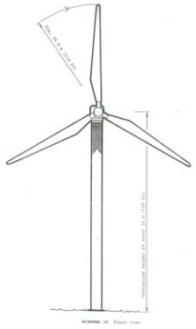
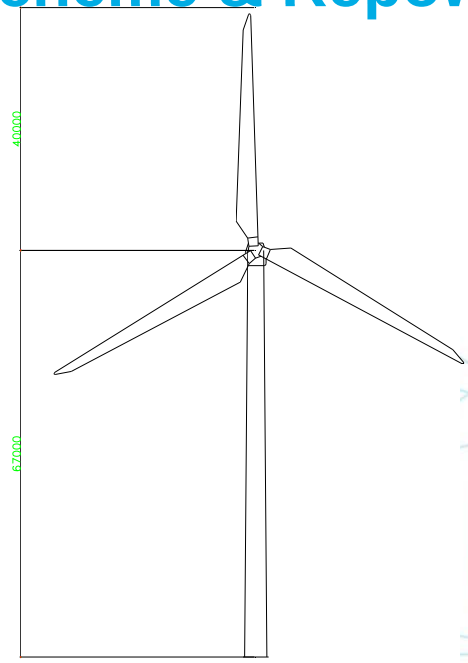
Goonhilly – Comparison of Original Scheme & Repower





Original Scheme.		Repower Scheme.
Windane 400.	Turbine Model.	Vestas V80.
49.4m	Turbine tip height.	107m
32m	Turbine hub height.	67m
34.8m	Turbine rotor diameter.	80m
400kW	Maximum generation.	2MW
9GWh Approx.	Approx. annual energy output.	Approx. 29 GWh.

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Goonhilly – Other Points

- Early construction of grid connection
- Good links with Vestas
- Decommissioning of existing turbines
- Strong local community support
- Local schools/University involvement

Goonhilly - First turbine erected 28-Aug-10..

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Loscar Farm, Rotherham

Timeline :

- Planning application September, 2004
- Consent granted June, 2008
- Balance of plant tenders received Dec-2008
- Construction commenced May, 2010
- Commissioning mid-September, 2010

Loscar - Turbines erected August, 2010.

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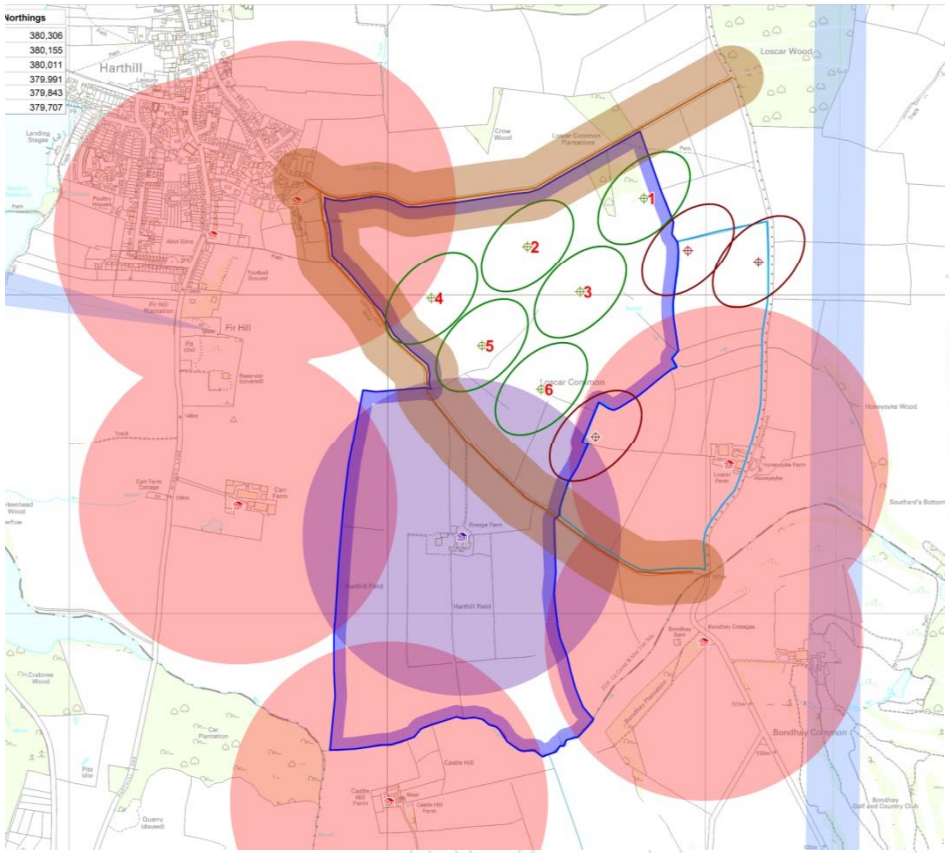
Loscar Farm – Potential Expansion

Adjoining land owner :

- Strategy of extending sites
- Up to 6 more turbines
- Another site in the vicinity



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High Haswell, Durham

Acquired from Hallam Land Management

- Original offer December, 2008 (withdrawn)
- Revised offer October, 2009
- Completed acquisition December, 2009
- Turbine supply agreement signed June, 2010
- Commissioning end September, 2010

Inside of AW1500 Nacelle.

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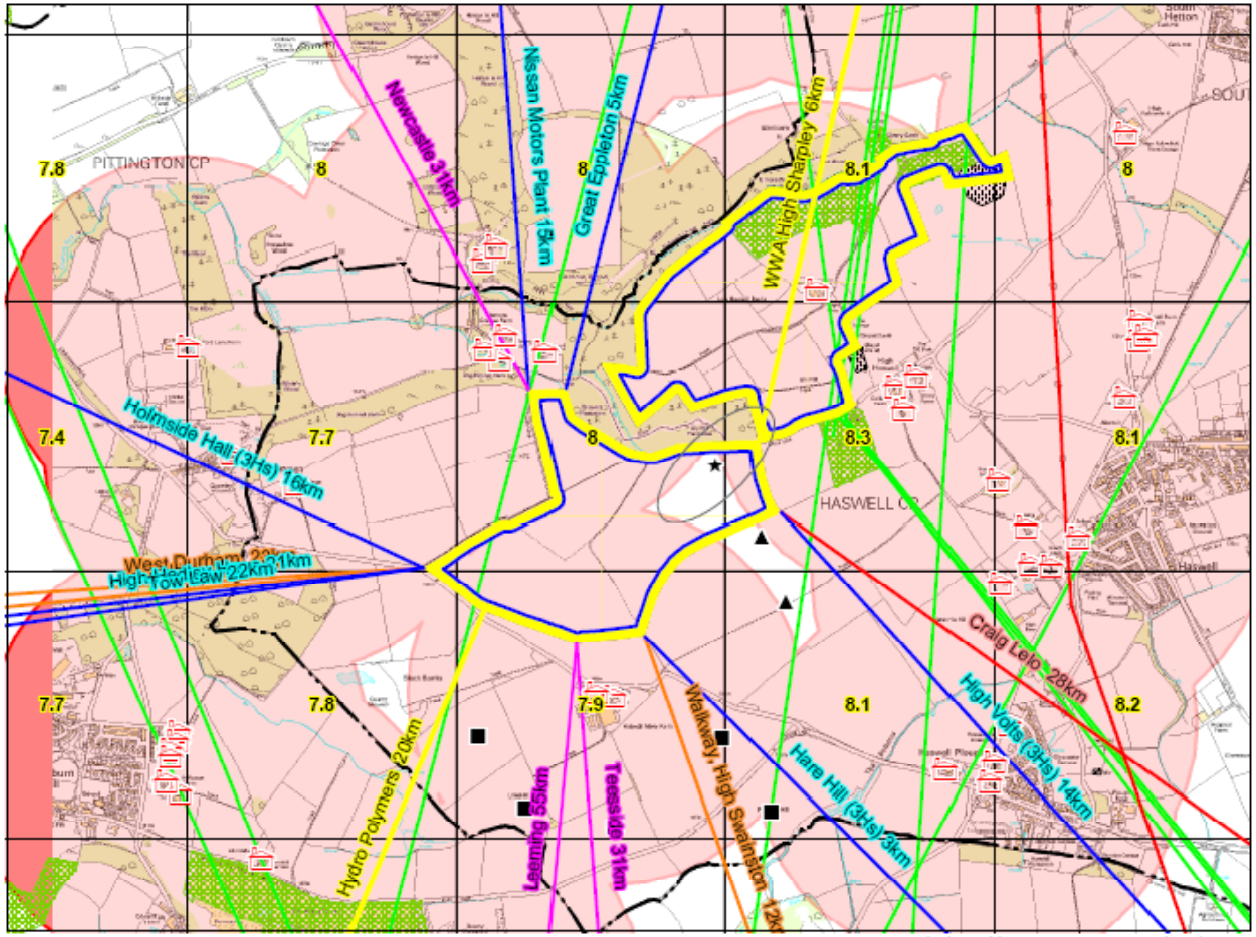
High Haswell – Potential for Additional Turbine



Construction 2011

- A number of Appeal decisions awaited
- 2010 Planning applications
- Consented sites

Goonhilly - blade delivery.

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Internalisation of Function – Oct 2010 to date

- Management of operating projects
- Turbine procurement
- Anemometry / resource assessment

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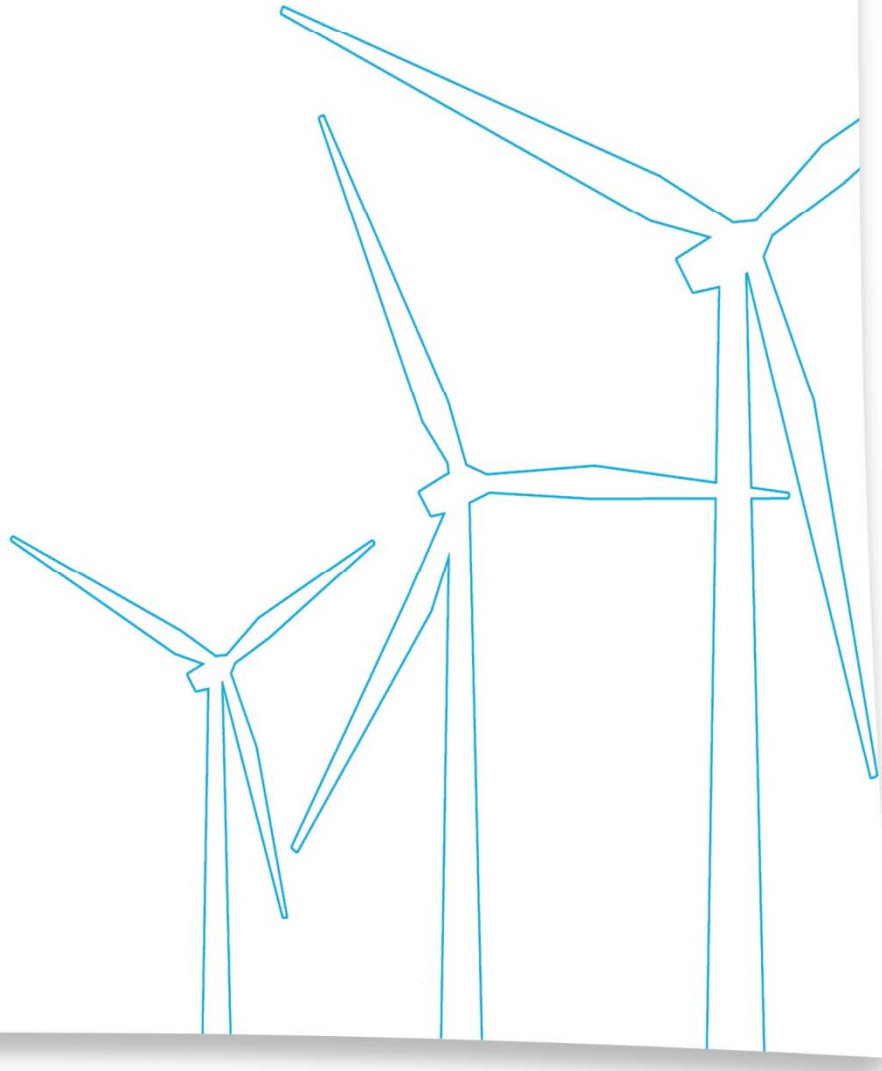
Wind Development Strategy and Review

Matt Partridge
Head of Development
Cornwall Light & Power



Introduction

- Since sale of Canadian wind business, UK wind business has become key focus for REG
- Functional reorganisation to industry norms – development and construction/operations managed separately but cohesively, reflecting the numerous interfaces
- New office in Bath, new development staff, increased portfolio and, importantly, project throughput
- Review of processes to ensure improved efficiencies as the organisation grows
- Much of the “up-side” to the reorganisation still to manifest itself due to project long project lead-times
- The numerous advanced projects – in planning or due to be submitted imminently – are highlighted around the room

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Stated 3 Year Wind Strategy

- Build on existing strategy to deliver projects from concept to operation:
  - **Invest £100m in new renewable energy projects over the next three years**
  - Focus on UK onshore market, particularly up to c. 15MW where there are more opportunities and less competition from utilities and larger independent developers
  - More resources to accelerate organic growth;
  - Organic growth supplemented with acquisitions, including those with repower opportunities, using in-house development expertise
  - Greater geographic coverage spread within UK

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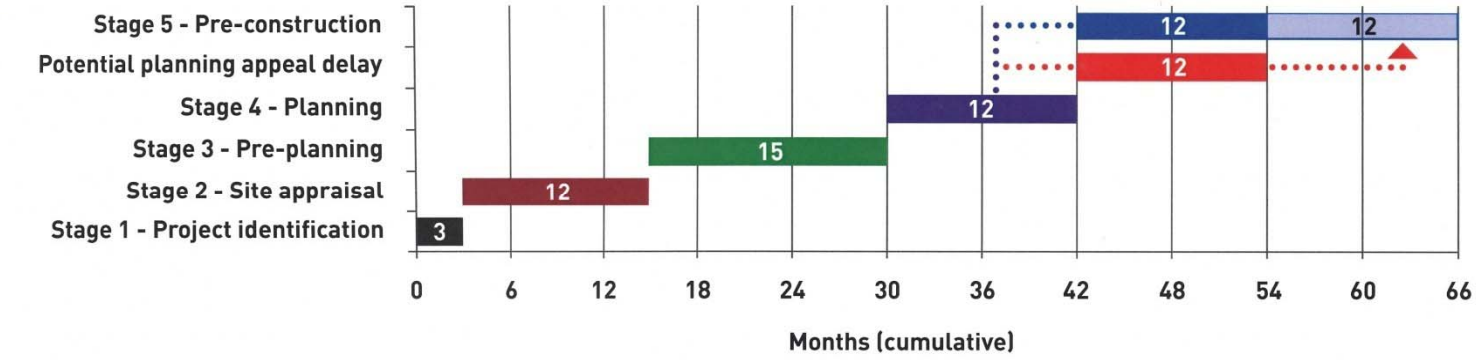
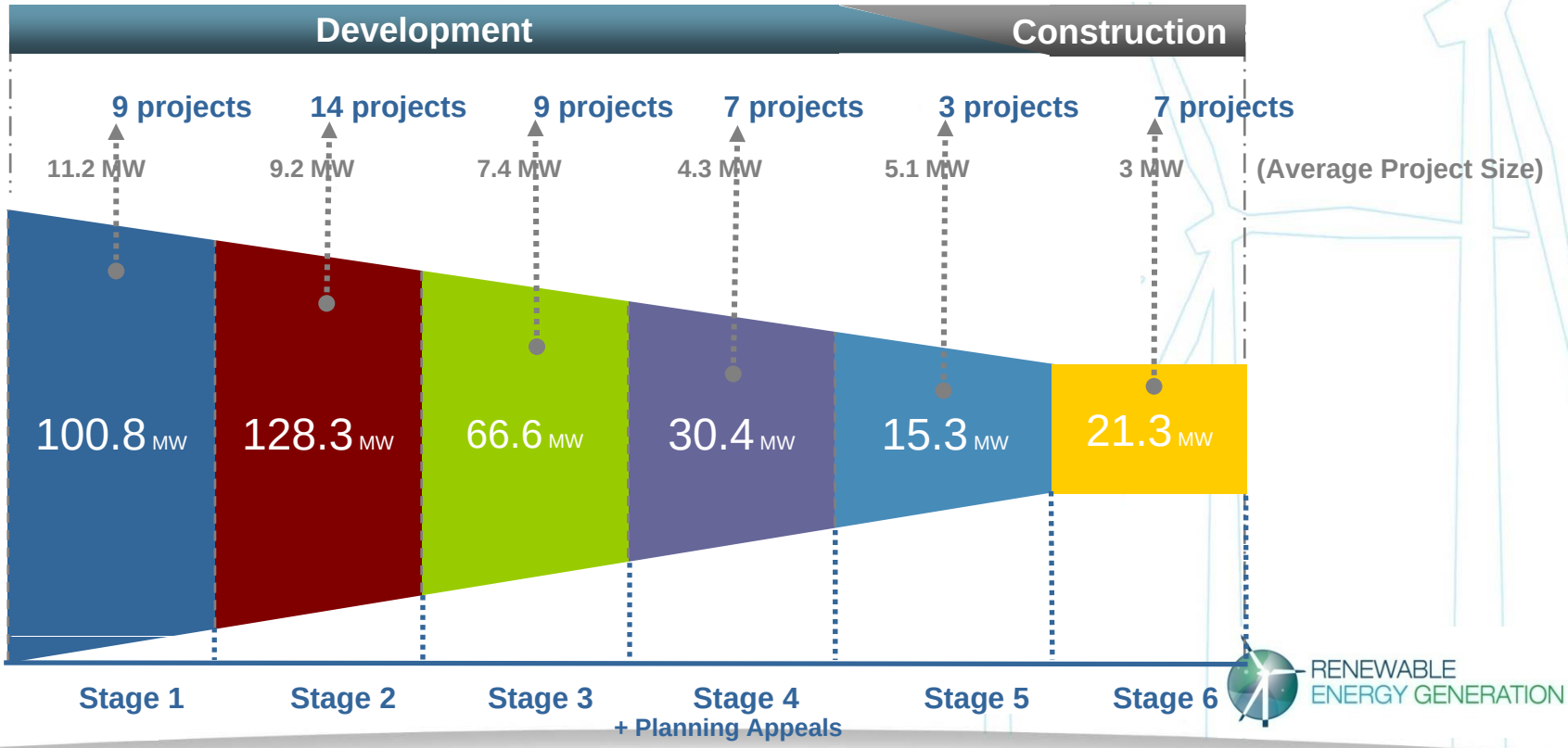
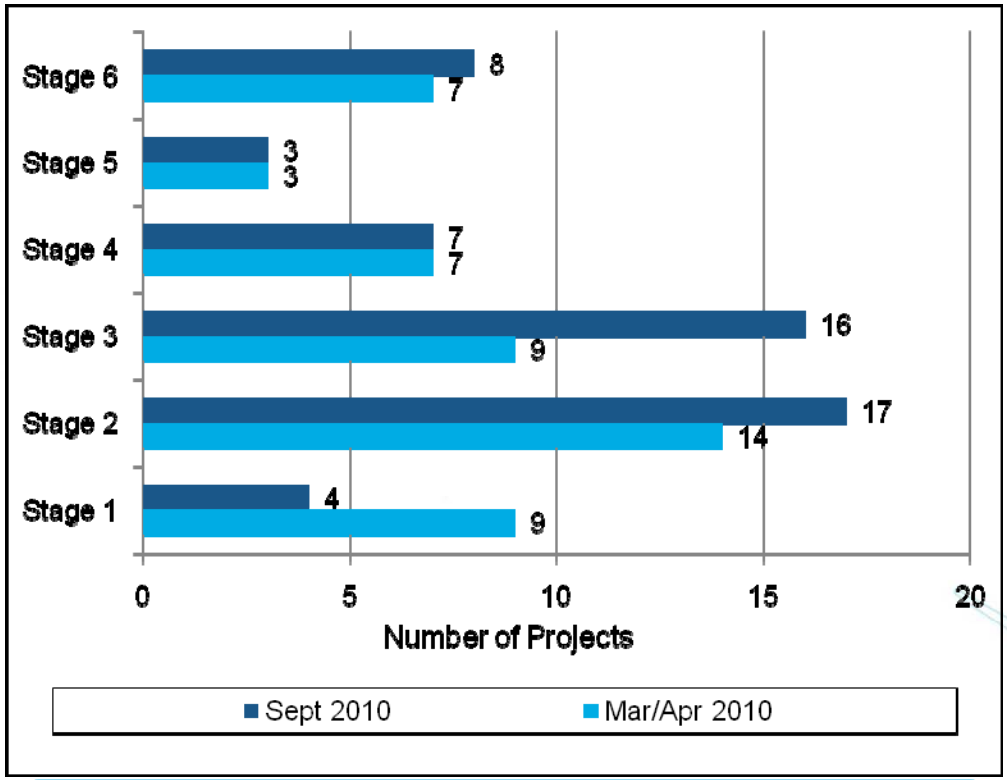
Key Graphics from March/April 2010 Interim Report

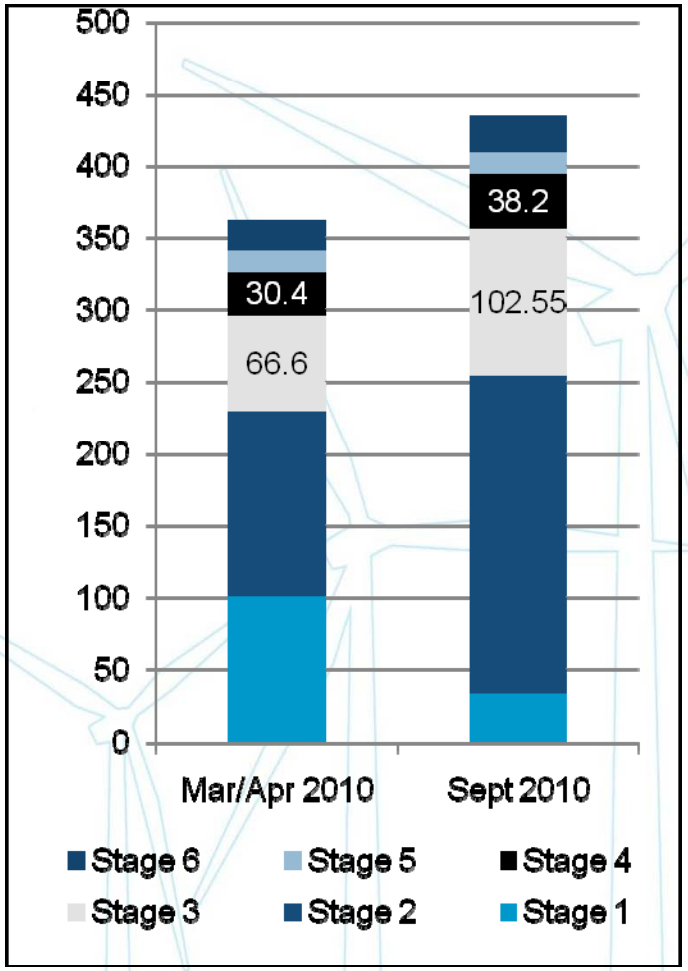


Developing wind energy projects in the UK: typically a 4½ to 5½ year cycle



Development Process – Update Since March/April 2010





Significant advancement of wind portfolio in last 5-6 months – both in project and MW terms

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Review of Progress

- 25% increase in projects awaiting a planning decision, including the following projects due for determination within the next 3 months:
  - French Farm, 2 turbines/4MW (appeal)
  - Orchard End, 2 turbines/4MW (appeal)
  - Sancton Hill, 5 turbines/10MW (LPA)
  - South Sharpley, 3 turbines/6MW (appeal)
- 50% in projects in pre-planning ensuring a steady flow of projects entering the planning system over the coming 12-18 months including the following applications due in next 3 months:
  - Denzell Down, 5 turbines/10MW
  - Hallburn, 6 turbine/12MW
  - Langthwaite, 6 turbines/12MW
  - Oxhevs, 3 turbines/5-6MW

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Key Wind Development Updates

- **St Breock**
  - Recent acquisition of St Breock adds to operating capacity and provides an excellent opportunity for repowering
  - REG to leverage its expertise, strong planning/political links in Cornwall and experience gained from Goonhilly
  - Development work has commenced – ecological surveys underway to ensure a full 12 months of data is available when submitted
  - REG repowering proposal will aim to mimic the successful elements of the previous E.ON repowering planning application (since expired, but a material planning consideration)
  - Application target of end 2011
- **Geographical expansion**
  - A number of advanced projects in Wales
  - REGs first projects in Scotland being planned
- **Feed-in Tariffs ("FiTs")**
  - FiTs offer REG an opportunity to find additional value from WindWorks portfolio
    - Potential for new, parallel development stream as larger sites become scarcer

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Summary

- Investment in REG wind development – development-focussed office and more, specialist staff – has increased capacity
- Increased resources beginning to show in the metrics
- Much of the benefit of increased resources still to be felt due to long project time-lines
- “Home grown” projects will become increasingly important to REG and change the current organic : acquisition operating/construction project ratio of 2:8
- Value of organic projects set to increase as acquisition costs harden from £200,000/MW seen with High Haswell in January 2010

"We expect REG's installed capacity to almost double in the financial year 2010/11 and quadruple by FY14..."
Edison Investment Research, August 2010

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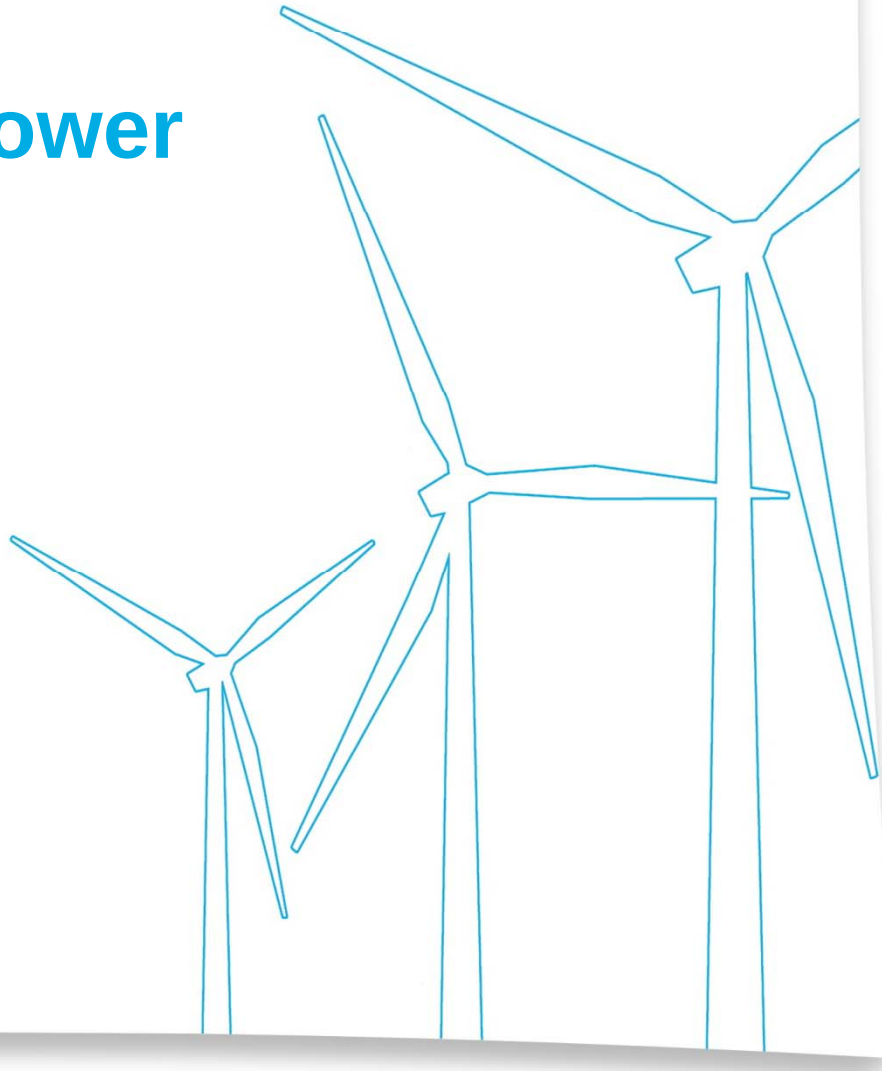
Update on REG Bio Power

Ian Collins
Managing Director
REG Bio Power



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Living Fuels

- Collects waste vegetable oil from the Public Sector as a free of charge service
  - 270 1000l containers placed with 35 County Councils/ Local Authorities
  - Contracts with Veolia, Sita, WRG, Enterprise
- Collects from industrial/ commercial customers at a cost per litre
- Buys in bulk from national aggregators
- Processes the waste oil into the End of Waste fuel, LF100
  - Hockwold processing plant can produce 14,000 tonnes of LF100 annually
  - Fuel production process protected by patent
- Sells LF100 to Living Power for CHP generation contracts

Living Fuels' specially modified 18,000 litre UCO road tanker

Hockwold processing plant – 20 million litre capacity

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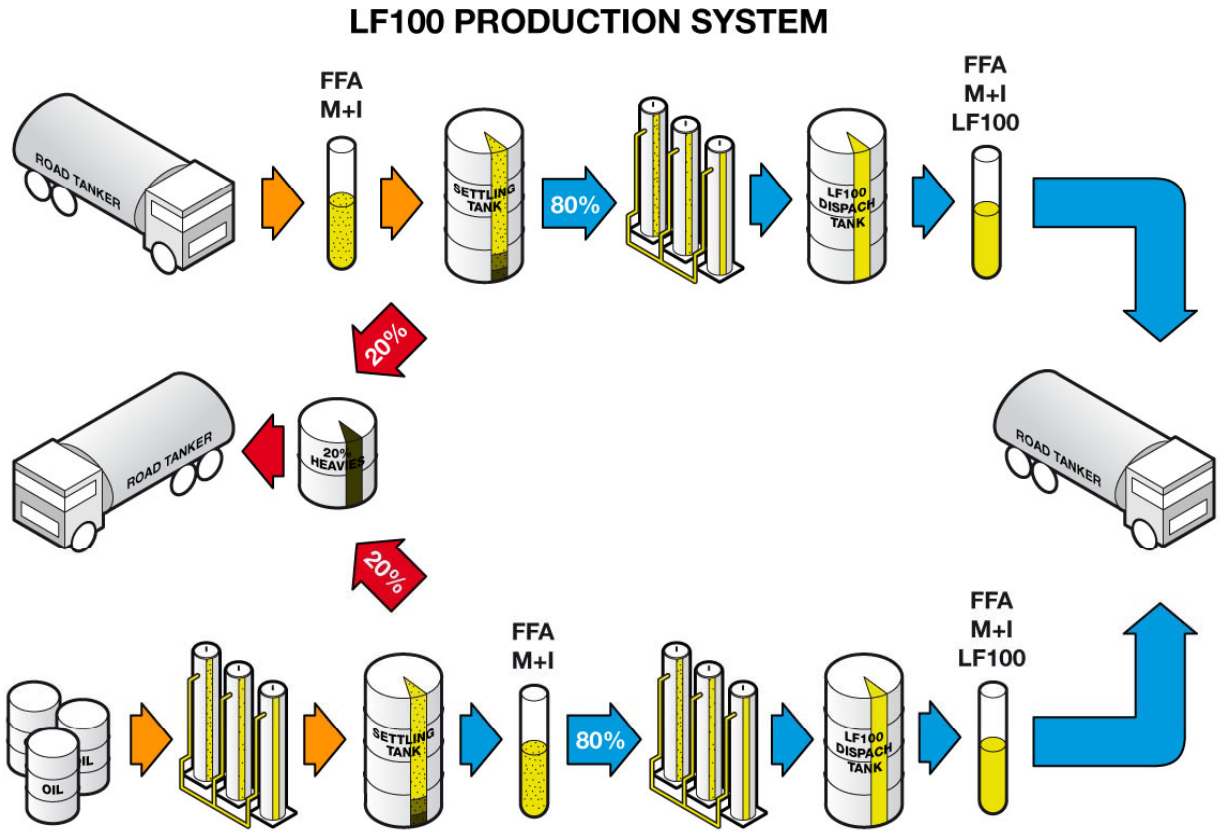
Living Fuels Process



LF100 – End of Waste Fuel

- 2009 - Environment Agency certified LF100 as an End of Waste Fuel
  - LF100 declared "*more environmentally friendly and less harmful than diesel*" by Environment Agency
  - LF100 is the only bioliquid End of Waste fuel in the UK
  - All other waste derived bioliquids are constrained by the WID Regulations
    - Saves £120k capex, £20k opex pa for a Bentwaters project

- 2010 - DEFRA removed EoW fuels from the Environmental Permitting Regulations
  - Our CHP projects no longer require Environmental Permits
    - Saves minimum 8 months of applying for permit
    - Saves £50-80k of capex, £20-30k of opex pa per project

Living Fuels

- Builds, owns and operates carbon neutral CHP facilities –all 2 ROCs
- 2 operating models
  - Combined Heat and Power generation on customer sites
    - Makes capital investment
    - Obtains planning permission
    - Builds, operates and maintains
    - 150kW upwards
  - Stand alone CHP Power Stations
    - 2-5MW
    - Sells green power through the grid, green PPAs
- Independent engine condition survey carried out in June 2010 by Mott MacDonald at Bentwaters
    - *''There is no evidence that the engines are suffering more wear or other ill affects than if they were running on 100% red diesel'*

Port of Dover CHP Contract

- 150kW CHP supplying power and heat to Berth 5/6 Passenger Terminal
- **Commissioned February 2010, CHP OFGEM/ CHPQA accredited**
- Over 2000 operating hours

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Spot the Power Station

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Hockwold CHP Contract

- 0.4MW CHP supplying power and heat to Freedom Farm Recycling Centre
- Commissioned July 2009, CHP OFGEM/ CHPQA accredited
- Over 2200 operating hours

Brentwaters Power Station

- 4.8MW (1.5 ROCs)open cycle (CHP conversion underway)
- Commissioned October, 2008, OFGEM accredited,
  - CHPQA accreditation pending
- Over 27,000 operating hours, average 2500 hours per engine

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"Our pilot partnership with Living Power will allow us to gain invaluable experience in generating sustainable electricity and heat on site and subsequently reduce our carbon footprint"

Jack Goodhew, General Manager, Port of Dover

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Thank you