



December 7, 2010

Hammond Wind Advisory Committee

Re: Proposed Residential Property Value Guarantee Agreement (the "RPVG")

To the Committee:

Thank you very much for giving us the opportunity to work with you on wind development in Hammond. I write with reference to the above referenced Residential Property Value Guarantee Agreement. We believe that if the Committee chooses to pursue the RPVG, it will prevent any development of windpower facilities in Hammond.

We were very surprised and disappointed to receive this document without having the opportunity to discuss with the Committee the fully documented evidence, conducted by independent researchers, which clearly demonstrates that there is no negative impact on property values caused by a wind farm. We understand why this question is of interest to the community, and as we have shown at wind projects throughout the country, we are happy to discuss the matter in a fair and open matter in order to alleviate any concern. We would hope to have that conversation before any action is taken on the RPVG.

We are also frequently asked why we are opposed to documents like the RPVG if the evidence so clearly demonstrates that there is no negative impact from the construction of a wind farm on property values. The answer is the tremendous administrative burden these plans impose on the Company, as well as the intrusion into landowners' basic rights concerning the sale of their properties.

As an example, the draft RPVG requires the Company to actively engage by certified mail all landowners (current and future) located within two miles of any leased property, to monitor and participate in all property sales (and properties offered for sale) within five years of the agreement and to maintain and engage multiple appraisers who are fully versed in the elaborate scope of the agreement. The draft RPVG also takes from the landowners the right to select their own realtors, negotiate their listing fees or determine the term of their listings. We believe such a term is a startling government intrusion into the lives of Hammond residents. These factors clearly outweigh the negligible benefit the program might create given the clear lack of impact of constructing a wind farm on property values.

Finally, in addition to our belief that no property value program is necessary, I would like to point out that the draft RPVG, as presented, is a particularly excessive agreement which is almost certainly unacceptable. A document of this type, if imposed by the Committee, would eliminate any possibility of development in Hammond not only of wind farms, but also of any other commercial development. While there are many terms that we consider objectionable, in



particular, the idea that a landowner could force the Company to purchase their property renders the economics of development in Hammond completely unpredictable and unworkable.

As you know, Iberdrola Renewables has extensive experience throughout the country in successfully developing wind farms. Given the chance to work with the Committee on this issue, we believe the evidence will demonstrate that a property value protection program is unnecessary, and that any remaining concerns can otherwise be addressed.

Thank you for considering our position. We welcome the opportunity to discuss this with you further.

Regards,

A handwritten signature in black ink, appearing to be "Mark Epstein", written over a horizontal line.

Mark Epstein, Esq.
Senior Counsel

cc: Jenny Burke
David Shadle