



HYDRO GREEN ENERGY, LLC: **HASTINGS, MINNESOTA PROJECT OVERVIEW**

Hydro Green Energy, LLC (HGE) is a renewable energy company based in Houston, TX that designs, builds, operates and sells hydrokinetic power systems that generate electricity exclusively from moving water without having to first construct dams or impoundments. Hydro Green Energy closed its Series-A funding in April 2008 with a \$2.6 million investment from the Quercus Trust, a prominent investor in alternative energy companies with intellectual property. HGE is presently in discussions for its Series-B round, which it soon expects to close.

Hydro Green Energy's technology platform operates in rivers, tidal areas and oceans. HGE can also deploy its equipment at existing hydropower projects (called Hydro+™), which bolsters the overall clean energy output of the existing project in an environmentally-sound manner. HGE holds U.S. Patent #6,955,049, as well as 43 international patents or pending international patents. There are 87 additional U.S. patents pending on the company's technology. The company's first Hydro+™ project is expected to begin operations in December 2008. Highlights of that project are below.

- The City of Hastings, MN owns and operates a 4.4-MW hydropower project at the Army Corps of Engineers' Lock & Dam No. 2 (FERC Project 4306, Mississippi River).
- Hydro Green Energy will donate its patented hydrokinetic technology to the City and install the equipment within the project boundary (at future projects, Hydro Green will sell its equipment to the project owner, enter into an O&M agreement and receive a yearly payment for the use of its patented technology).
- The City will operate the zero-head, in-stream HGE equipment, which will be located in the tailrace of the City's project to generate additional electricity within the existing project footprint (cogeneration model for hydropower).
- Hydro Green Energy will receive a portion of the power sales attributable to the HGE equipment (royalty payment for use of patented technology).
- Hydro Green Energy's equipment will generate up to 198 kW, representing a 5.7% increase in renewable energy generation at the existing site. Power sales are to Xcel Energy through the City's PPA.
- After several months of pre-filing stakeholder consultations, the City of Hastings filed a Non-Capacity Amendment (existing project modification/new generating equipment) with FERC in April 2008. A FERC Order approving the project is expected in December 2008.
- Hydro Green Energy was responsible for stakeholder outreach, agency consultation, costs and technical work associated with the NCA.
- Once in the water, Hydro Green Energy will perform comprehensive fish survival tests, monitor all critical aspects of water quality, study avian interactions and implement a zebra mussel control program.
- Led by Mayor Paul Hicks, the Hastings City Council has unanimously approved the project on four occasions, validating the unique and creative public-private partnership of this groundbreaking project.
- The Hastings hydrokinetic project will be the first commercially-operational, FERC-licensed hydrokinetic power facility in the history of the United States.



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