

IBERDROLA

Hays Wind Project
PO Box 864
Hays, KS 67601

30 August, 2007

Dear Mrs.

The Hays Wind project is pleased to present you with the enclosed Neighbor Agreement for your consideration. You are being offered this Agreement because you own land adjacent to the proposed Hays Wind project in Ellis County, Kansas and/or you reside in its immediate vicinity. Please review the Agreement at your convenience and contact us with any questions you might have. If you would like to schedule a meeting to discuss the contents of the Agreement please call myself, Mr. Heck, or Ms. Sullivan. Should you wish to enter into this Neighbor Agreement with the Hays Wind project, please return both copies with your signature(s) in the pre-stamped return envelope. We will then counter-sign and return one fully executed original to you for your records. Please ensure the agreement is returned to us in person or post-marked no later than Friday, October 5th, 2007.

We look forward to hearing from you, and we thank you for your time and consideration in this matter.

Sincerely,

Krista J. Gorctoti
Project Manager
Hays Wind, LLC

CONTACTS:

Krista Gordon
303-803-2074

kgordon@iberdrolaus.com

Matt Heck
484-883-2244

mhec14@iberdrolaus.com

Kristin Sullivan
315-219-6401

ksullivan@iberdrolaus.com

- Exhibit B -

(to Wind Farm Neighbor Agreement)

Legal Description of the Property

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(to Wind Farm Neighbor Agreement)

Financial Compensation

HAYS WIND shall pay to Owner the lump sum of three thousand and no/100 US Dollars (\$3,000.00) one time within thirty (30) calendar days following the start of construction activities.

- Exhibit B -
(to Wind Farm Neighbor Agreement)

Financial Compensation

HAYS WIND shall reimburse Owner for 20,000 kilowatt-hours of residential electricity usage per annum for the shorter of thirty-five (35) years from commercial operations date or for as long as the wind project is operating. The initial reimbursement rate shall be set by the Owner's electricity rate in the most recent bill issued by the Owner's regular residential electricity provider prior to the date of signing this Agreement. For example, if this Agreement is signed on June 15 and the most recent bill was issued on May 30, then that bill will govern and will be attached hereto as Exhibit C. The electricity rate shall be calculated by dividing the total present amount due for one month (not to include previous charges or special services) by the total number of kilowatt-hours consumed in that month. For example, if the Owner's total electricity bill was for \$120.00 and the total amount of kilowatt-hours consumed in that month was 1500kWh, then the initial electricity reimbursement rate would be \$0.08/kWh and the first annual reimbursement payment to Owner would be \$1,600.00. The electricity reimbursement rate will escalate at 1% per year from the initial rate for the term of this Agreement. Propane, gas, and other forms of energy are not included in this Agreement.

Wind Farm Neighbor Agreement

This Wind Farm Neighbor Agreement ("Agreement") is entered into as of the date set forth below, between (i) Hays Wind LLC, a Delaware limited liability company authorized to do business in State of Kansas ("Hays Wind") and solely owned by Iberdrola Renewable Energies USA, and (ii) the property owner(s) signing this Agreement below ("Owner").

1. Background.

(a) HAYS WIND is developing a wind energy project located in Ellis County, Kansas, expected to consist of wind turbines (turbine) with a total nameplate capacity of approximately 200 MW and associated towers, substations, service roads, power collection and transmission facilities, and other fixtures, equipment and improvements (the "Project"), the description of which is as set forth in the application to Ellis County for a Conditional Use Permit.

(b) Owner owns certain real property located near the Project (the "Property"). The legal description of the Property is set forth on Exhibit A.

(c) HAYS WIND will build and operate the Project in accordance with prudent, generally-recognized wind industry practices, including with respect to minimizing the side-effects of the operation of the Project. HAYS WIND does not expect that these side effects will exceed industry standards regarding noise, shadow, flicker or television interference, but Owner understands and accepts that operation of the Project may have some impact on the Project's neighbors.

(d) HAYS WIND and Owner wish to enter into a mutually beneficial agreement regarding the Project and its potential impact on the Property.

2. Easements; Covenants.

(a) **Noise Easement.** Owner grants to HAYS WIND a "Noise Easement" for the right and privilege to generate and maintain audible wind turbine noise levels on and above the Property in excess of forty-five (45) dB(A) at any or all times of the night ("Noise Easement") and in excess of fifty (50) dB(A) at any or all times of the day. Day hours shall be defined as those from 7:00AM to 11:00PM and night hours shall be defined as those from 11:00PM to 7:00AM. If, twenty percent or more of the time on an annual basis, noise levels emanating from the turbines exceed forty-five (45) dB(A) during the night or fifty (50) dB(A) during the day thirty (30) feet from the outer wall of any presently existing occupied residence on Owner's Property, as measured by an independent professional as agreed to by both HAYS WIND and Owner and at the expense of HAYS WIND applying commonly accepted measurement instruments and standards, HAYS WIND shall take all commercially reasonable measures to reduce the turbine caused noise level 30 feet from the outer wall of the residence to forty-five (45) dB(A) during the night and fifty (50) dB(A) during the day so that such levels are exceeded less than twenty percent of the time on an annual basis. Reasonable measures to be taken by HAYS WIND may include installing landscaping, insulation or other sound barriers at agreed locations on or off Owner's Property; installing insulation or sound deadening material in the offending turbine(s); or, changing the operation of the turbine(s) to reduce noise output.

(b) **Light and Shadow Easement.** Owner grants HAYS WIND a "Light and Shadow Easement" for the right and privilege to cast light from FAA required lighting and shadows of the turbine towers and rotors and Met Towers, wherever located, onto Owner's Property. If in Owner's reasonable judgment the light and shadows cast at any presently occupied residence on Owner's Property substantially interfere with the use and enjoyment of the residence, HAYS

WIND shall promptly investigate the nature and extent of the problem and the best and commercially reasonable methods of correcting any problems found to exist. HAYS WIND, at its expense, with agreement of Owner, will then promptly undertake reasonable measures such as tree planting or installation of awnings, draperies or other window treatments necessary to mitigate the effects of the offending light or shadow.

(c) **Television Reception.** Owner grants to HAYS WIND the right to test television signal strength and reception at any residence on the Property before and at reasonable intervals after HAYS WIND builds the Project. In the event that existence or operation of the Project significantly interferes with or degrades television signal reception at any residence on the Property, HAYS WIND shall at its expense, with the full cooperation of Owner, promptly investigate and within a reasonable time find reasonable ways to correct any significant degradation of television signal reception actually caused by the Project. Reasonable correction measures may include installation of television signal boosters serving the general area of the Wind Farm, installation of antenna or signal booster equipment on the Property, installation of and payment for cable, dish TV or similar devices serving the Property, or repair or replacement of television receivers.

(d) **Construction Impact.** Despite efforts to control dust and noise during construction of the Project, HAYS WIND recognizes that some neighbors of the Wind Farm due to their location next to roads or construction areas may be inconvenienced by construction noise and dust. Additionally, construction traffic in some areas may inconvenience Owner or require Owner to travel by unaccustomed routes to avoid construction traffic. As stated in HAYS WIND's application for a Conditional Use Permit with Ellis County, HAYS WIND will make all reasonable efforts to coordinate activities in public roadways with the Ellis County Public Works Department in order to minimize any disruption or inconvenience to the public.

(e) Should Owner experience effects, in addition to what is defined above, that Owner reasonably believes to be in excess of industry standards for such effect, Owner shall promptly notify HAYS WIND of such fact and allow HAYS WIND 90 days thereafter in which to investigate the nature and extent of the problem and the best methods of correcting any problems found to exist in excess of industry standards. HAYS WIND, at its expense and with the agreement of Owner (which shall not be unreasonably withheld), will promptly undertake such measures *as* are commercially reasonable to mitigate the problematic effects.

(f) Owner hereby acknowledges that HAYS WIND intends to install subject to approval of the Board of Ellis County Commissioners wind turbines located as close as, but no closer than, 2000 feet from an existing occupied residence on Owner's Property. Owner's approval of this Agreement further confirms Owner's consent thereto.

(g) Owner hereby agrees not to engage in any activity on or outside the Property that might cause material interference with the construction, installation, maintenance or operation of the Project

3. Term. The easements and other provisions of this Agreement shall terminate upon permanent cessation of commercial operation of the Project or [35] years from the date hereof (the "Term") whichever occurs first. Following the end of the Term, promptly upon request by Owner, HAYS WIND shall record such documents and take such other actions as may be appropriate or required to evidence such termination.

4. Consideration. The consideration to be paid by HAYS WIND to Owner, the sufficiency of which Owner hereby acknowledges, for the Easements and other covenants contained within this Agreement is as set forth on Exhibit B, attached hereto and incorporated herein by reference. Owner acknowledges that Owner is responsible for all income and other tax assessments that may result from the receipt of such consideration.
5. Insurance. During the Term of this Agreement, HAYS WIND shall maintain liability insurance in an amount not less than \$5 million of combined single limit liability coverage. Owner shall be named as additional insured on such policy of insurance. An insurance certificate shall be provided to Owner upon request evidencing the insurance required of HAYS WIND under this Agreement.
6. Release. Owner, in consideration of the terms listed in Exhibit B, the sufficiency of which Owner hereby acknowledges, does individually and for each of Owner's successors and assigns, releases and forever discharges HAYS WIND LLC, and each of its past, present and future attorneys, principals, agents, representatives, insurers, partners, predecessors and successors in interest, assigns and all other persons, firms, corporations, and other entities (hereinafter referred to collectively as "HAYS WIND"), of and from any and all past, present or future claims, demands, obligations, actions or causes of action, at law or in equity, whether arising by statute, common law or otherwise, whether for compensatory or punitive damages, of whatsoever kind or nature (hereinafter referred to collectively as "Claims"), including without limitation, claims which are known and unknown, claims for known and unknown damages, claims for anticipated and unanticipated damages, and claims for anticipated and unanticipated consequences of damages on account of, arising out of or in any other way related to the Project.
7. Assignments. HAYS WIND may without the consent of or notice to Owner assign this Agreement (i) as collateral security, or otherwise encumber and grant security interests in this Agreement, to any lender or equity investor providing financing for the Project., or (ii) to any affiliate of HAYS WIND that may hereafter own or operate all or substantially all of the assets of the Project
8. Covenants Running with the Land. The parties hereby agree that the covenants and agreements contained in this Agreement touch and concern the real estate described in this Agreement and are expressly intended to, and shall, be covenants that run with the land, and accordingly shall be binding upon and inure to the benefit of the parties and the successor owners of the Property and the Project.
9. Further Acts and Assurances. Each Party hereby agrees that each shall execute such additional documents or instruments, and shall undertake such actions as are necessary and appropriate to effectuate the intent of this Agreement.
10. Confidentiality. Both Owner and HAYS WIND shall maintain in confidence all information pertaining to the financial terms of this Agreement, provided that each such party may share relevant information with its legal and financial advisors and HAYS WIND's affiliates and its or such affiliates' prospective or actual lenders, purchasers and/or investors.
11. Miscellany.
 - (a) This Agreement may not be amended, nor may any provision be waived, except in writing and signed by both Owner and HAYS WIND.

- (b) This Agreement may be executed and recorded in multiple counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same agreement.
- (c) This Agreement is contingent upon the issuance to HAYS WIND of a Conditional Use Permit by the Board of Ellis County Commissioners authorizing the Project and subsequent construction of the project. In the event that such Conditional Use Permit is not granted to HAYS WIND on or before December 31, 2007, then this Agreement shall be null and void, and no financial compensation shall be due to Owner pursuant to this Agreement.
- (d) The parties agree to sign and record in the public records a Memorandum of Neighbor Agreement. Said Memorandum shall not reveal any financial terms.
- (e) This Agreement contains the entire agreement between the parties hereto, supersedes and nullifies all prior understandings, promises and undertakings, if any, made orally or in writing by or on behalf of the parties with respect to the subject matter hereof, and may not be modified, altered or terminated except in a writing signed and dated by the parties hereto.
- (f) Owner represents and warrants that Owner has sufficient authority to bind the Property under the present Agreement and that this Agreement does not conflict with or otherwise violates any and all prior agreements and covenants to which the Owner or the Property are bound.
- (g) Owner shall provide to HAYS WIND a copy of Owner's electricity bill for Exhibit C as described in Exhibit B.

[the next page is the signature page]

Owner:

(print exact legal name of Owner(s) of the Property)

By: _____
(signature)

By: _____
(signature of co-owner, if applicable)

Title : _____
(if Owner is an LLC, corporation, trust or other entity)

Address for Notice:

Date of Signature: _____

HAYS WIND:

HAYS WIND, LLC

By: _____
Its Manager

Address for Notice:
201 King of Prussia Road
Suite 500
Radnor, PA 19087

Date of Signature: _____