



NEXtera[™] ENERGY

RESOURCES





The SUSTAINABILITY of SUSTAINABILITY

2011 Green Infrastructure Conference

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NextEra Energy is a premier US power company

NextEra Energy

- \$22.7 B market capitalization
- 42,588 MW in operation
- \$15.3 B operating revenues
- \$53.0 B in total assets

NextEra Energy Resources

- Successful wholesale generator
- U.S. leader in renewable generation
- Assets in 26 states and Canada
- 18,866 MW in operation
- \$4.6 B in operating revenues
- \$22.4 B in total assets

A growing, diversified and financially strong Company

Market capitalization as February 22, 2011 source: Reuters
All other data as of February 22, 2011





6, 2010

Goldman Sachs has caught up to you



GS SUSTAIN

Crossing the Rubicon: Our investment framework for the next decade (executive summary)

Accelerating change in global industries

Companies compete against a backdrop of accelerating structural change in the global economy, society and environment. Competitive pressures in each industry are intensifying, driving increasing bifurcation between well and poorly positioned companies. GS SUSTAIN provides an objective, consistent framework linking these structural trends to investment conclusions in each industry.

Outperformance from industry leaders

Despite the rising importance of structural trends to financial performance, the equity market continues to focus on near-term earnings, and discount limited differentiation in return on capital

Mature leaders offer sustainable returns

In established industries, the GS SUSTAIN framework is designed to identify the companies that are best positioned to sustain superior return on capital over the long term. Our analysis combines: (1) the returns forecasts of our global sector analysts with objective, quantifiable measures of (2) industry positioning and (3) management quality (based on environmental, social and governance factors).

Emerging leaders offer sustained growth

In nascent, fast-growing markets, the GS SUSTAIN framework is designed to identify smaller cap companies that: (1) are exposed to structural growth trends, (2) our analysts forecast

THE GS SUSTAIN FOCUS LIST
 The GS SUSTAIN Focus List is aimed at long-term, long-performance with a low turnover of ideas. It incorporates identified leaders in mature industries, which our analysis shows to be well positioned to sustain industry leader and superior returns on capital, and 34 emerging industry leaders offering attractive exposure to growth opportunities arising from structural change in global industries.

Source: Datastream, MSCI, Goldman Sachs Research.

Unknown Zone

GS SUSTAIN is a unique global equity strategy that brings together ESG (environmental, social and governance) criteria, broad industry analysis and return on capital to identify long-term investment opportunities.





Companies that embrace sustainability are outperforming their peers.

Sustainability

- MIT Sloan conducted an in depth analysis of Embracers v Cautious Adopters
- Improved brand reputation is perceived as the biggest benefit of addressing sustainability.
- Most companies — whether currently embracers or not — are looking toward a world where sustainability is becoming a mainstream, if not required, part of the business strategy.

NextEra Energy Resources is an embracer





NEER had a triple bottom line long before it was fashionable.

Sustainability – The Triple Bottom Line

- **Economic Accountability**
 - Solid Fundamentals
 - Proven Track Record
 - Great Employees
- **Environmental Stewardship**
 - Minimizing Our Environmental Footprint
 - Unquestioned Integrity – First Among Equals, Either You Have It Or You Don't.
- **Social Responsibility**
 - Building Environmental and Community Partnerships
 - Public Outreach Programs
 - Instilling Confidence in the Public

We translate this into action through process, culture, commitment, and constantly striving for improvement.





•The TCU • Oxford • NextEra Energy Resources

WIND RESEARCH INITIATIVE



The Institute for Environmental Studies
at Texas Christian University

Birds & Bats



Carbon/Ecological



Socio-economic

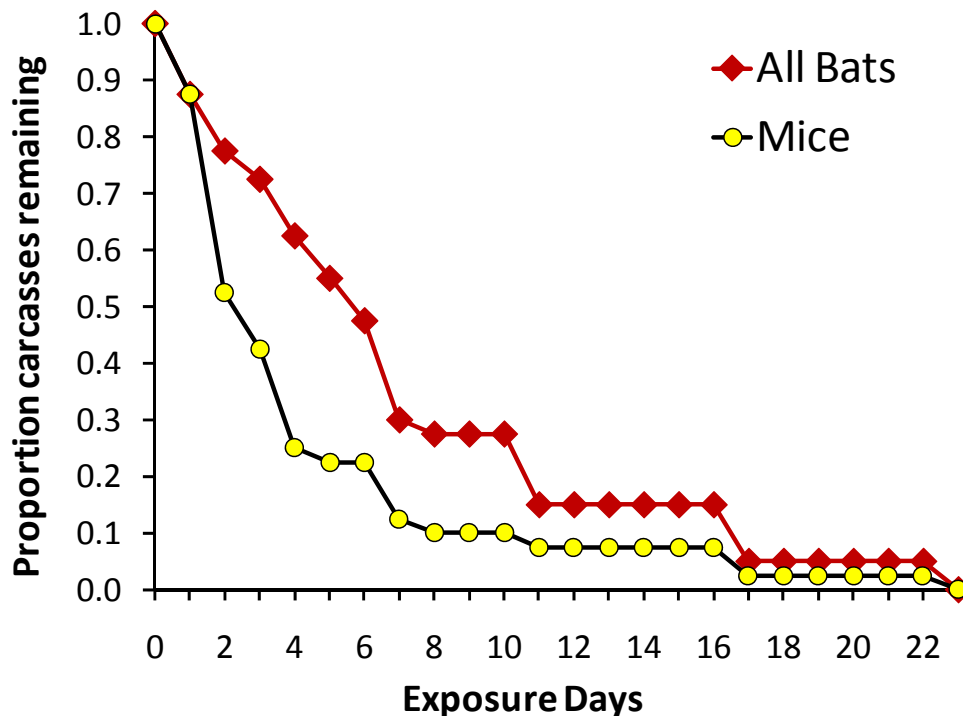


www.wind.tcu.edu

Accuracy of Bat Fatality Estimates

Example using mice as substitutes for bats in scavenger removal trials

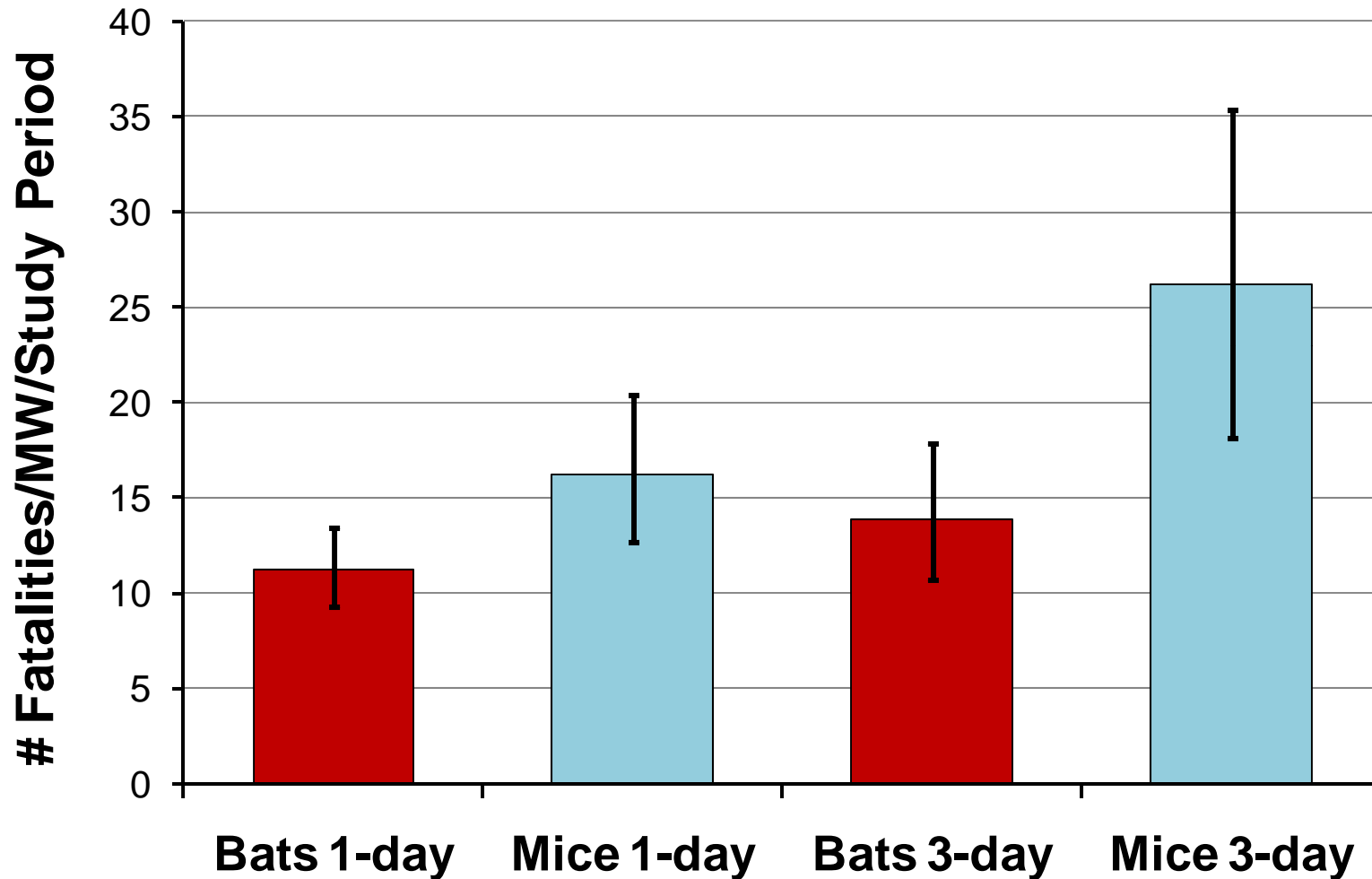
Do Scavenger Removal Rates Differ?



- **YES**
- **Median Persistence**
 - **Bats = 5.5 days**
 - **Mice = 2.5 days**

• $(U = 1889, n_1 = n_2 = 40, P < 0.001)$

What is the impact on the estimate of fatality?

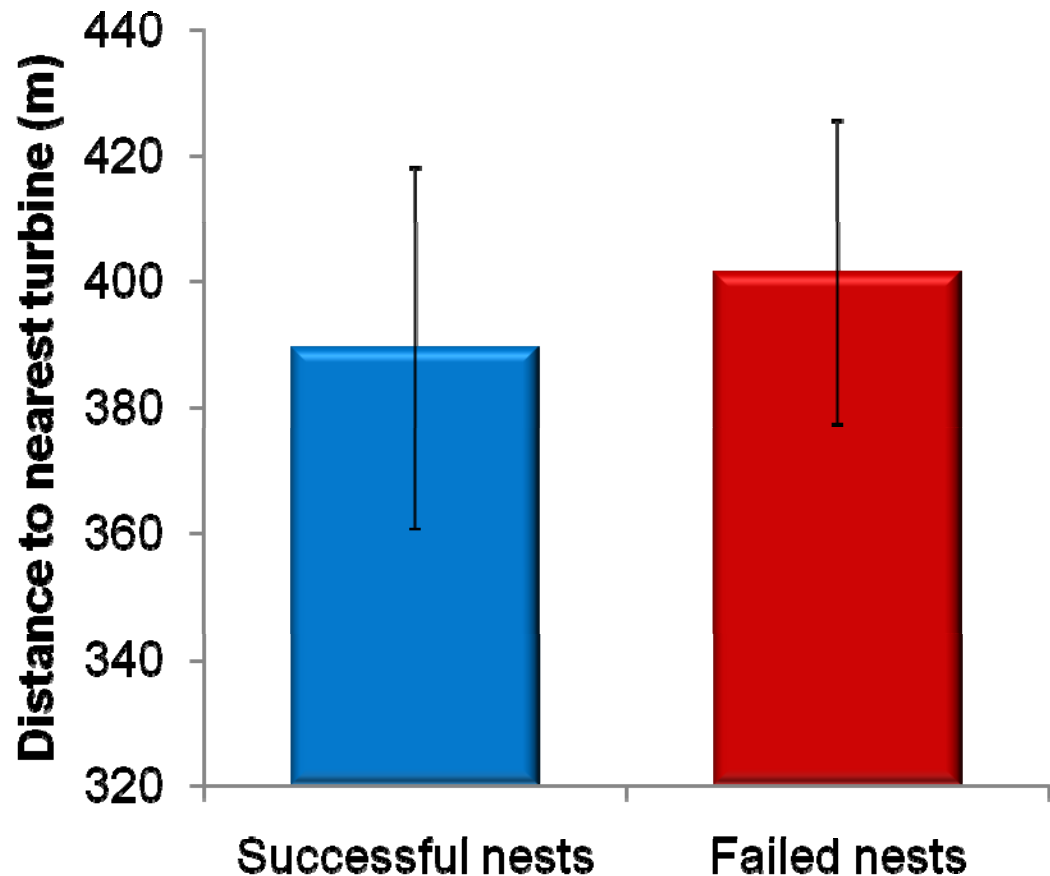


It will be biased upwards!

Dickcissel nesting success

- **Nests checked every 3-4 days in summer 2010**
- **62 nests**
 - Successful = 16
 - Failed = 46
- **No effect of turbines on nest success**
 - Mayfield logistic regression; $n = 489$ nest days; $p = 0.53$

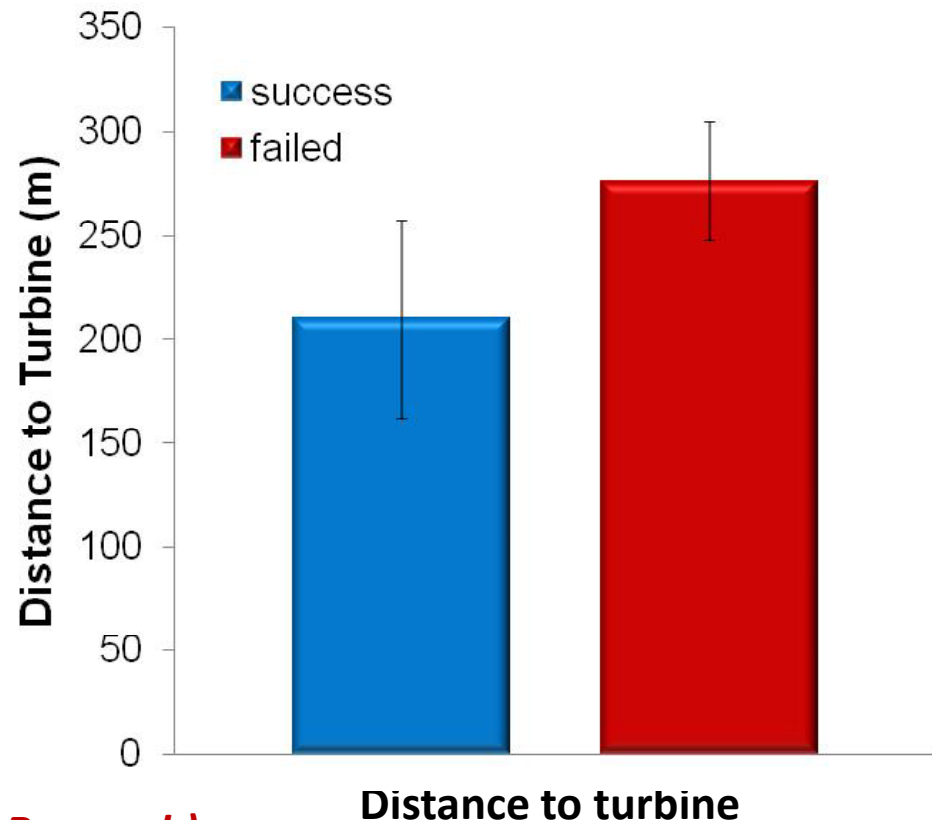
(Erin Hatchett's Thesis Research)



Scissor-tailed Flycatcher Nesting Success

- Nests checked every 3-4 days in summer 2009.
- 32 nests
 - Successful = 5
 - Failed = 27
- **Successful nests were significantly closer to turbines than nests that failed.**
 - $n = 512.5$ nest days,
 - slope coefficient = 0.003, $P = 0.04$

(Trevor Rubenstahl's Thesis Research)



How can we make wind farms a wildlife refuge?



The National Renewable Energy Lab, TCU, and NextEra Energy Resources are working together to quantify the economic impacts of wind farms.

Total Economic Activity Study Rationale

- **Building and siting new power generation and infrastructure are often challenging.**
- **Decisions about how to proceed are best made with a full understanding of how a given project (or set of projects) will affect a specific community or state.**
- **Jobs and economic development are important variables to state policymakers, local policymakers and residents.**
- **This study compares *actual project-specific* analysis results to *default* analysis results to estimate the economic activity resulting from projects.**
- **Independent research and the formal publication of these results will create a critical reference point to inform both the industry and decision-makers.**



The JEDI* Analysis Tools

Energy Analysis
JEDI Jobs and Economic Development Impact Models

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The Jobs and Economic Development Impact (JEDI) models are user-friendly tools that estimate the economic impacts of constructing and operating power generation and biofuel plants at the local and state levels. First developed by NREL's [Wind Powering America](#) program to model wind energy impacts, JEDI has been expanded to analyze concentrating solar power, biofuels, coal and natural gas power plants.

On this site, you can [download](#) the models for free, learn more about how JEDI [works](#), understand the [output](#), and get [answers](#) to questions about using the model.

Contact
For questions regarding the JEDI models or model updates, please contact: JEDIsupport@nrel.gov.

[Printable Version](#)

JEDI Fact Sheet
(PDF 444 KB)
[Download Adobe Reader](#)

NREL is a national laboratory of the U.S. Department of Energy, Office of Energy Efficiency and Renewable Energy, operated by the Alliance for Sustainable Energy, LLC.

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JEDI is used by industry, government, academics, advocates, consultants, and others.

Currently public

- Utility-Scale Wind
- Natural Gas
- Coal
- Geothermal
- Ethanol
- Solar (CSP, PV)

In process

- Transmission
- Water
- Biopower
- Offshore, small wind

***Jobs and Economic Development Impacts (JEDI) Model**



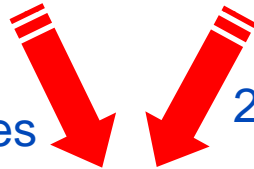
Economic Development at Multiple Levels



1. On-site labor and professional services



2. Equipment production and supply chain



3. Induced economic activity (household purchases due to injection of income)

Economic Activity to Texas from 2 Wind Farms (1398 MW total)

<i>Construction (average annual for 4 years)</i>	Total Jobs	Wages (\$M)	Output (\$M)
Project Development and Onsite Labor	170	\$12	\$13
Total (<i>onsite labor, equipment & supply chain, induced</i>)	935	\$52	\$150

<i>Operations (annual for 20 years)</i>	Total Jobs	Wages (\$M)	Output (\$M)
Onsite Labor	65	\$3.6	\$3.6
Total (<i>onsite labor, equipment & supply chain, induced</i>)	300	\$16	\$56

*Assuming construction and 20 years of operations, this equates to more than \$1.7 billion in total economic activity.**

***\$150M x 4+\$56M x 20 = \$1.7B**

These are PRELIMINARY RESULTS from Dr Eric Lantz and Dr Mike Slattery





Conclusions

- **Economic activity resulting from these two wind projects has been, and continues to be, strong:**
 - On average, we estimated 935 Texas workers were employed for a period of 4 years by construction of these projects; 25% come from within 100 miles.
 - We estimated that approximately 300 Texas workers continue to be employed in ongoing operations and maintenance; 75% come from within 100 miles.
 - We estimated that these projects will generate approximately \$1.7 billion and \$950 million to Texas and the local economies, respectively, over their full life-cycle.

These are PRELIMINARY RESULTS





Recommendations

- **Sustainability requires committed company leadership, strong cultural support, and processes and tools to empower the right action at every level**
- **Sustainability is a differentiator in the market**
- **Sustainability requires innovation; innovation will be driven by creativity, high quality research, and cross functional partnerships**

“The world is changing more rapidly and profoundly than ever before. GS SUSTAIN seeks to understand and get ahead of that change by identifying the best managed companies around the globe that will succeed on a sustainable basis.” -Anthony Ling



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