THIRD MONITORING REPORT

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1 PROJECT DETAILS

1.1 Summary Description of Project

The objective of the project activity has resulted in the construction, operation and maintenance of a wind power project in Southern Custer and Roger Mills counties in the North American state of Oklahoma. The project provides renewable power to Southwest Power Pool (SPP) Regional Transmission Organization (RTO) and is interconnected with the Western Farmers Electric Cooperative. The project will reduce greenhouse gas emissions caused by reliance on fossil fuels.

The 123 MW project activity is comprised of 82 Acciona Wind Turbine Generators (WTGs), with each WTG having a capacity of 1.5 MW. Turbines commissioning dates were as follows:

	Dates	Location	
Turbine	Commissioning	Latitude	Longitude
A1.01	12/17/08	35 32 46.69910	99 22 06.86166
A1.02	12/18/08	35 32 44.82597	99 21 57.05673
A1.03	12/17/08	35 32 37.94108	99 21 45.68363
A1.04	12/16/08	35 32 34.96413	99 21 34.86064
A1.05	12/16/08	35 32 26.21120	99 21 24.95269
A1.06	12/17/08	35 31 53.17795	99 21 42.01771
A1.07	12/18/08	35 31 53.36020	99 21 36.00451
A1.08	12/17/08	35 31 53.40978	99 21 29.15546
A1.09	12/18/08	35 31 53.30498	99 21 23.40115
A1.10	12/16/08	35 31 53.34609	99 21 17.52471
A1.11	12/18/08	35 31 53.31048	99 21 11.44505
A1.12	12/17/08	35 31 53.37973	99 20 59.74539
A1.13	12/17/08	35 31 53.47098	99 20 53.54401
A1.14	12/18/08	35 31 53.59599	99 20 44.94563
A2.01	11/25/08	35 33 03.71817	99 25 24.87123
A2.02	11/25/08	35 33 03.79131	99 25 30.87131
A2.03	12/12/08	35 33 03.84881	99 25 37.01788
A2.04	11/26/08	35 33 03.76545	99 25 43.04711
A2.05	11/24/08	35 33 03.88504	99 25 51.48664
A2.06	12/04/08	35 33 18.23004	99 26 03.68256
A2.07	11/25/08	35 33 18.06794	99 26 09.80187
A2.08	12/07/08	35 33 18.38151	99 26 15.91701
A2.09	11/25/08	35 33 19.36490	99 26 22.07751
A2.10	12/07/08	35 33 17.58203	99 26 30.42400
A3.01	12/12/08	35 32 41.14209	99 24 12.59977
A3.02	12/12/08	35 32 41.11453	99 24 18.54139
A3.03	12/10/08	35 33 02.31001	99 24 14.46753
A3.04	12/12/08	35 33 02.25307	99 24 20.64588
A3.05	12/18/08	35 32 58.80764	99 24 03.95839
A3.06	12/18/08	35 32 46.77846	99 24 26.87370
A3.07	12/14/08	35 32 46.85242	99 24 33.05712
A3.08	12/14/08	35 32 46.82775	99 24 39.31740
A3.09	12/14/08	35 32 45.61453	99 24 51.28095
A3.10	12/14/08	35 32 45.37438	99 24 57.62711
A3.11	12/15/08	35 32 45.62098	99 25 03.98985
A4.01	12/02/08	35 32 18.52894	99 24 44.13472
A4.02	12/12/08	35 32 28.86107	99 25 14.79755
A4.03	12/05/08	35 32 28.64540	99 25 20.58721
A4.04	12/07/08	35 32 28.59273	99 25 26.44690
A4.05	12/07/08	35 32 29.24218	99 25 38.58372
A4.06	12/14/08	35 32 29.94703	99 25 44.78251
A4.07	12/07/08	35 32 47.46958	99 25 52.76057
A4.08	12/18/08	35 32 45.87116	99 26 00.30700
A4.09	12/01/08	35 32 44.43373	99 26 10.44258
A4.10	12/02/08	35 32 45.58577	99 26 19.22241
A4.11	12/01/08	35 32 46.23892	99 26 28.20228
A5.01	12/05/08	35 32 01.54547	99 24 05.50626
A5.02	11/19/08	35 32 02.13378	99 24 11.59560
A5.03	11/18/08	35 32 02.26884	99 24 17.73608
A5.04	12/04/08	35 32 06.14133	99 24 26.42905
A5.05	12/06/08	35 32 06.39011	99 24 32.75220
A5.06	12/01/08	35 32 12.26176	99 24 52.18423
A5.07	11/19/08	35 32 12.17890	99 24 58.48484
A5.08	12/06/08	35 32 07.01081	99 25 08.26812
A5.09	12/05/08	35 32 06.74851	99 25 14.51124
A5.10	11/18/08	35 32 06.28833	99 25 22.64503
A5.11	12/01/08	35 32 08.55236	99 25 34.81980
A5.12	11/18/08	35 32 08.67946	99 25 40.94305
A6.01	11/11/08	35 31 45.20520	99 24 53.53410
A6.02	11/14/08	35 31 45.78695	99 24 59.65329
A6.03	11/16/08	35 31 46.00956	99 25 06.65636
A6.04	11/14/08	35 31 46.06713	99 25 12.68871
A6.05	11/17/08	35 31 46.03456	99 25 18.90903
A6.06	11/18/08	35 31 45.77848	99 25 24.89676
A6.07	12/06/08	35 31 49.20243	99 25 34.56340
A6.08	11/18/08	35 31 49.24920	99 25 40.67346
A6.09	11/15/08	35 31 52.61411	99 25 55.69097
A6.10	11/15/08	35 31 52.34888	99 26 03.97502
A6.11	11/15/08	35 31 52.13432	99 26 11.66682
A6.12	11/14/08	35 31 53.06692	99 26 18.03149
A7.01	12/07/08	35 31 54.80032	99 23 22.56216
A7.02	12/07/08	35 31 53.49177	99 23 32.52954
A7.03	12/05/08	35 31 54.76104	99 23 39.64153
A7.04	12/05/08	35 31 54.71697	99 23 45.76742
A7.05	12/07/08	35 31 54.72374	99 23 51.85400
A7.06	12/11/08	35 31 42.74456	99 24 07.97127
A7.07	12/18/08	35 31 42.67484	99 24 14.14334
A7.08	12/04/08	35 31 42.65221	99 24 20.23576
A7.09	11/26/08	35 31 42.63466	99 24 27.53667
A7.10	12/15/08	35 31 43.20576	99 24 35.60414
A7.11	12/07/08	35 31 43.79690	99 24 41.72731
A7.12	12/12/08	35 31 44.55400	99 24 47.53600

The project is located 10 miles north of Elk City in Western Oklahoma at grid coordinates: Latitude: 35.5°N Longitude: -99.4°W.

Technology employed by the project activity

The Red Hills wind project will consist of 82 Acciona AW-77/1500 Class IEC IIa turbines. Each turbine will have a hub height of 80 meters (m) and a rotor diameter of 77 m, for a total height of approximately 118.5 m. The turbines will be accessed by constructed project roads, and interconnected by communication and electric power collection cable within the wind farm.

The design of the AW-77/1500 was developed based on the experience gained by Acciona in the course of operating turbines manufactured by others, and the lessons learned from over ten years of operations were incorporated into the AW-77/1500 design. The Acciona AW77/1500 is a proprietary design that incorporates features such as the dual-bearing main shaft to reduce axial loads on the gearbox, internal access to the inside of the hub, and a wider nacelle enclosure to make servicing the AW-77/1500 easier and safer than servicing other manufacturer's turbines. The turbines also have noise insulation and utilize non-flammable materials. These design elements create an unsurpassed turbine known for performance that exceeds the highest industry standards.

Each wind turbine will be connected to a pad mount transformer located at the base of the tower. The individual pad mount transformers will be interconnected in series ("Daisy Chained") with other pad mount transformers forming a series of circuits or "strings" called the collection system. The collection system (34.5 kV electrical lines) will run underground to the project substation. Here the voltage will be increased to 138 kV and then sent via an overhead transmission line to the interconnection substation at the Point of Interconnect (POI) at Western Farmers Electric Cooperative transmission line.

1.2 Sectoral Scope and Project Type

The project activity is considered under zero-emissions 'grid-connected electricity generation from renewable sources' that generates electricity in excess of 15 MW (limit for small scale project). Therefore as per the scope of the project activity enlisted in the 'list of sectoral scopes and related approved baseline and monitoring methodologies', the project activity may principally be categorized in Scope Number 1, Sectoral Scope – Energy industries (renewable / non-renewable sources.)

1.3 Project Proponent

Contact information of proponent for the project activity:

Mr. Chris Vickery
Red Hills Wind Project, L.L.C.
333 W. Wacker Driive
Suite 1500
Chicago, IL 60606
Tel: 312-673-3082
Fax: 312-673-3001
Email: cvickery@acciona-na.com

As the project proponent Acciona is the owner of the project. Acciona was responsible for the construction of the project and is responsible for the ongoing operations and maintenance of the project. On the monitoring of this project Acciona is responsible for testing and calibration of the check meter. They also play a role in the execution of the monitoring plan to assist WFEC with monitoring requirements as needed. They are responsible for granting access to the site for purposes of conducting the site visit required as part of the verification process.

1.4 Other Entities Involved in the Project

The other entity involved in the project as the off-taker of the energy and environmental attributes under the terms of a long-term power purchase agreement is:

Mr. Brian Hobbs
Western Farmers Electric Cooperative (WFEC)
701 N.E. 7th Street
Anadarko, OK 73005
Tel: 405-247-4389
Fax 405-247-4452
Email: b_hobbs@wfec.com

WFEC is contractually committed to the purchase of energy and all related environmental attributes produced by the project. As the owner of the environmental attributes WFEC is responsible for executing the monitoring procedures, preparing the monitoring report and keeping evidence of each formal monitoring period. Commencing with this monitoring report WFEC is responsible for hiring the verifier and providing evidence of net electric energy supplied to the grid and other forms of evidence required during monitoring. WFEC is also responsible for the calculation of emissions avoided to the atmosphere. WFEC as a transmission provider is responsible for the testing and calibration of the meter of record. WFEC provides the communication network to get production and consumption data telemetered to WFEC and Acciona.

1.5 Project Start Date

The start of operations, marked by the start of commercial operations which is 26 October 2008, is the start of the crediting period, which will last for ten years per the Project Description (PD).

1.6 Project Crediting Period

This is the Third Monitoring Report for the referred project activity. The final version (3) of the second monitoring report covered the period 1 June 2009 through 31 December 2010. The final version (2) of the first monitoring report covered the period 11 November 2008 through 31 May 2009. The purpose of this document is to:

1. Report the emission reductions generated by 123 MW wind power project in Oklahoma, USA (VCS Project ID 157, with validation report dated 31 December 2009) during the period 1

January 2011 to 31 December 2011. During this time period all of the emission reductions were sold as VCU's. 420,498 MWh's of production less allocated consumption of 1,099 MWh's or net MWh's of 419,399 were sold as VCU's (tC02). The net MWh's of 419,399 MWh's multiplied by .67 tCO2 per MWh resulted in 280,997 VCU's.

2. To serve as the basis for verification, certification and issuance of VCUs.

The start of the monitoring period for this Monitoring Report is 1 January 2011, because that is the beginning of the period subsequent to the final date covered in the second monitoring report.

1.7 Project Location

The project is located in Southern Custer and Roger Mills counties in the North American state of Oklahoma. The Latitude and Longitude coordinates noting the location of each turbine that comprises the project is noted in the table set forth above in Section 1.1. The project will provide renewable power to Southwest Power Pool (SPP) Regional Transmission Organization (RTO) and is interconnected with Western Farmers Electric Cooperative.

1.8 Title and Reference of Methodology

Among the methodologies approved by UNFCCC for grid connected electricity generation from renewable sources, ACM0002 (version 09) was chosen as the most suitable for this project activity. This consolidated baseline and monitoring methodology is used in conjunction with the approved monitoring methodology ACM0002 "Consolidated baseline and monitoring methodology for grid-connected electricity generation from renewable sources".

Taking into account that the project uses ex-ante Operating Margin and ex-ante Building Margin, the main parameter being monitored is the Net electricity supplied to the grid by the project (EGy), which is composed of total electricity produced (TEGy) minus electricity consumed by the project.

The data unit will be MWh and the plant maintains the records of the total energy produced to the grid and the total energy consumed from the grid. Net electricity supply to the grid is calculated from the production and consumption data.

2 IMPLEMENTATION STATUS

2.1 Implementation Status of the Project Activity

- The start of operations, marked by the start of commercial operations which is October 26, 2008, is the start of the crediting period, which will last for ten years from this moment, as per the PD.
- The purpose is to report the emission reductions generated by 123 MW wind power project in Oklahoma, USA (VCS Project ID 157, with validation report dated 31 December 2009) during the period 1 January 2011 to 31 December 2011. During this time period all

the emissions reductions were sold as VCU's. The total production of 420,498 MWh's of production less allocated consumption of 1,099 MWh's or net MWh's of 419,399 were sold as VCU's (tC02). The net MWh's of 419,399 MWh's multiplied by .67 tCO2 per MWh resulted in 280,997 VCU's.

- According to ACM0002, the main emissions potentially giving rise to leakage in the context of electric sector projects are emissions arising due to activities such as power plant construction, fuel handling (extraction, processing, and transport), and land inundation (for hydroelectric projects). Project participants do not need to consider these emission sources as leakage in applying this methodology. Project activities using ACM0002 shall not claim any credit for the project on account of reducing these emissions below the level of the baseline scenario. Thus the leakage emissions are NIL There is no leakage to this project so Ly = 0. Thus, ERy = BEy. i.e. the emission reductions are the baseline emissions in this

2.2 Project Description Deviations

For the monitoring period covered by this monitoring report commencing 1 January 2011 to 31 December 2011 there were no deviations from the monitoring plan.

2.3 Grouped Project

Grouped projects are projects structured to allow the expansion of a project activity subsequent to project validation. This does not apply to Red Hills since the project description did not set out geographic areas within which new project activity instances would be developed.

3 DATA AND PARAMETERS

3.1 Data and Parameters Available at Validation

Data Unit / Parameter:	EFy
Data unit:	tCO2e/MWh
Description:	Operating Emission Factor of Southwest Power Pool
Source of data:	Emission Factor has been calculated ex-ante for crediting period of ten years as per PD registered
Value applied:	.67tCO2/MWH
Purpose of the data:	This parameter will be used to calculate baseline emissions. EFy times Electricity Supplied to the grid (EGy). Electricity Supplied to the grid is the Monitored Parameter set forth in the table below. Baseline emissions equals emissions reductions (ERy).
Any comment:	None

3.2 Data and Parameters Monitored

Describe data and parameters monitored subsequent to validation using the following table (copy table for each data unit/parameter).

Data Unit / Parameter:	EGy
Data unit:	MWh (Mega-watt hour)
Description:	Net electricity supplied to the grid by the project
Source of data:	Electricity supplied to the grid by the Project
Description of measurement methods and procedures to be applied:	Please refer to Section 3.3
Frequency of monitoring/recording:	Monthly at the meter of record
Value monitored:	MWh
Monitoring equipment:	Please refer to Section 3.3
QA/QC procedures to be applied:	Please refer to Section 3.3
Calculation method:	BEy=EFy*EGy
Any comment:	None

3.3 Description of the Monitoring Plan

- Among the methodologies approved by UNFCCC for grid connected electricity generation from renewable sources, ACM0002 (version 10) was chosen as the most suitable for this project activity. This consolidated baseline and monitoring methodology shall be used in conjunction with the approved monitoring methodology ACM0002 "Consolidated baseline methodology for grid-connected electricity generation from renewable sources ". Taking into account that the project used ex-ante Operating Margin and ex-ante Building Margin, the main parameter to be monitored is the Net electricity supplied to the grid by the project (EGy), which is composed of total electricity produced (TEGy) minus electricity consumed by the project. The data unit will be MWh and the plant maintains the records of the total energy produced to the grid and the total energy consumed from the grid. Net electricity supply to the grid is calculated from those two data.
- Organizational structure, roles and responsibilities are stated in a separate document titled: ‘Monitoring and verification manual for VCS purposes’.
- QA/QC Procedure
    - Electricity supplied to the grid by the project is measured through national standard electricity metering instruments recorded monthly by the project entity.
        - Two meters (Meter of Record and Check) are installed at the Point of Interconnection. Production and consumption registered by the Meter of Record alone is adequate for the purpose of billing. The Check meter should be used when the Meter of Record fails to register, in which case the meter agent, shall adjust measurements by using the Interconnection Customer’s

Check meter, if installed. Both the meters are read for electricity generation and electricity consumption purposes on a monthly basis.

- The import of electricity from the grid is recorded by the same meters, since these are import-export meters. Net electricity supply to the grid (EGy), the total electricity produced by the project activity (TEGy) minus the electricity consumed from the grid, is used to calculate VERs. This data has been cross-verified with the invoices raised by SPP and payment received against the invoices.
- The Meter of Record and Check meters have the same accuracy level of 0.1%, and both were tested for accuracy before installation..
- Serial numbers for the meters are as follows:
    - Meter of Record: 82093242
    - Check meter: LT-0808A309-01

- Meter Reading Procedure
    - Meter of record. As per the interconnection agreement, data is telemetered to one or more locations. Such telemetered data is used as the official measurement of the amount of energy delivered from the Large Generating Facility to the Point of Interconnection.
    - CECD performs meter data monitoring tasks for the Red Hills wind farm. A meter communication port has been made available to CECD by Western Farmers Electric Cooperative for the Meter of Record. A meter communication port has also been made available for the Check Meter.
    - The order of events leading from meter readings to invoices from Southwest Power Pool is as follow:
        - Bidirectional hourly meter data is directly measured by the Meter of Record
        - Meter data is telemetered to CECD
        - Daily meter data is sent from CECD to SPP
        - SPP generates Settlement Statements based on meter data and market prices
        - SPP generates an invoice based on Settlement Statements
        - SPP pays Red Hills via a wire transfer
- Calibration of the Meters
    - The Meter of Record was calibrated before installation on 15 October 2008 by Western Farmers Electric Cooperative. Periodic tests should be done every two years.
    - The Check meter was calibrated before installation on 6 September 2008 by Schneider Electric. Even though test procedures for the Check Meter are not governed by the Interconnection Agreement and periodic tests will only be necessary every four years, periodic controls discovered the Check Meter was not reading voltage. After trying to reboot it, it did not return to normal operation. On 1 May 2009 the decision was made to remove the meter and send it off for testing and repair, so high quality measurement is guaranteed. New calibration on the meter was done by Power Measurement on 11 May 2009 and the meter was reinstalled on 28 May 2009. Additional tests of the meter of record were conducted 14 July 2010 and 28 December 2011.

- Following data verification process, during monthly meter readings, the variation between the main meter and check meter have been less than +/- 2%. Data has been provided to verifier for verification along with excel sheet results.

4 QUANTIFICATION OF GHG EMISSION REDUCTIONS AND REMOVALS

4.1 Baseline Emissions

The baseline emissions (BE_y in tCO_2) are the product of the baseline emissions factor (EF_y in tCO_2/MWh) times the electricity supplied by the project activity to the grid (EG_y in MWh).

$$\mathbf{BE_y = EF_y * EG_y}$$

Auxiliary power supply will be required for operation of equipment like hydraulic motors and yaw system for which active power will be drawn from the grid. The metering of the drawn power will be done by the same import-export meters.

Net electricity supply to the grid (EG_y) is the total electricity produced by the project activity (TEG_y[1]) minus the electricity consumed from the grid.

Baseline emission factor (EF_y) has been calculated ex-ante and will not be updated during the crediting period of ten years. As per PD registered, EF_y=0.67 tCO2/MWh.

Net electricity supplied to the grid by the project (EG_y) is measured by the meters, resulting in the net production figures set forth item 20 of the Information Reference List.

The meter reading of the Meter of Record with the related invoices and payment details during the monitoring period were provided to the verifier.*Quantify the baseline emissions and/or removals.*

4.2 Project Emissions

The project involves the operation of a zero-emission wind farm, so PE_y = 0

4.3 Leakage

According to ACM0002, the main emissions potentially giving rise to leakage in the context of electric sector projects are emissions arising due to activities such as power plant construction, fuel handling (extraction, processing, and transport), and land inundation (for hydroelectric projects). Project participants do not need to consider these emission sources as leakage in applying this methodology. Project activities using ACM0002 shall not claim any credit for the project on account of reducing these emissions below the level of the baseline scenario. Thus the leakage emissions are NIL.

There is no leakage to this project so $L_y = 0$. Thus, $ER_y = BE_y$. i.e. the emission reductions are the baseline emissions in this project.

4.4 Summary of GHG Emission Reductions and Removals

As explained above, $ER_y = BE_y$.

The Meter of Record has been working properly in the crediting period for which this report is prepared and when compared with the results of the check meter were found to be within allowed tolerances. Since the meter of record has been used reliably for billing purposes the meter of record measurement alone is adequate for the purpose of emissions reductions during the period covered by this report. Total emission reductions during the monitoring period were 142,721 tn CO_2.

Comparison with PD estimate.

PERIOD MONITORED	1 January 2011 to 31 December 2011	
Total estimated reduction in PD	293,839	tCO2 per annum
Estimated reduction for the period	293,839	tCO2 for the 580 days
Real reduction	280,997	tCO2
Deviation	-4.4%	

The deviation calculation is purely pro-rated by the number of days in the monitoring period, and does not correlate with the wind pattern during the year.

5 ADDITIONAL INFORMATION

Reference no.	Document or type of information supplied to verifier
	Items Delivered to Verifier Prior to Site Visit:
1	Electronic delivery of 2011 Renewable Attribute Production from Red Hills Wind Farm contracted to WFEC
2	Electronic delivery Green-e Energy Renewable Generator Registration Form and Attestations 1st – 4th Quarters 2011
3	Electronic delivery of contract for sale of VCU's covered by this report
4	Electronic delivery of email correspondence for exercise of option to purchase additional VCU's production for 2011 in excess of base quantity in contract.
5	Electronic delivery of Reconciliation of Meter-of-Record production and consumption data versus Check Meter record of production and consumption data for the period 1 January 2011 through 31 December 2011

6	Electronic delivery of Final Third monitoring calculation to support the calculation of 280,997 tCO2 covered by this monitoring report
7	Electronic delivery of Red Hills production invoices for period 1 January 2011 through 31 December 2011
8	Electronic delivery of Red Hills consumption invoices for period 1 January 2011 through 31 December 2011