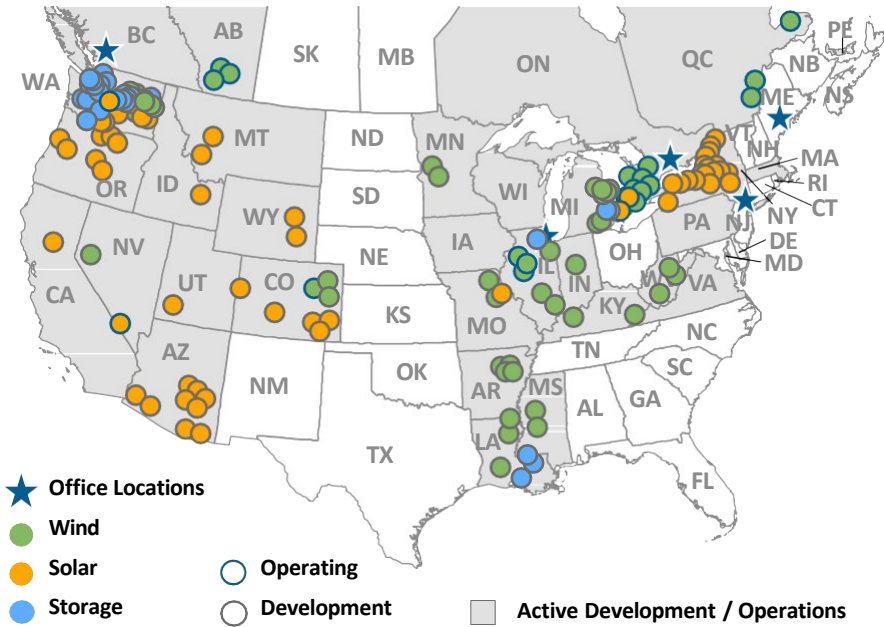


# Arkansas Wind Energy



**Cordelio is a renewable IPP with a strong track record in the development, financing, construction and operation of renewable energy projects across North America**



- 1 **Established IPP** Net 1.4+ GW of operating renewables in the U.S. and Canada
- 2 **Strong Management** Deep experience developing, financing and operating projects
- 3 **Selective Market Entry** Growth focused in premium markets: MISO, WECC, NYISO and PJM
- 4 **Strong Relationships** Longstanding relationships with key financiers, offtakes and suppliers
- 5 **Growth Focus** 22+ GW development pipeline of wind, solar and storage
- 6 **Top Financial Sponsor** Top-tier sponsor in CPP Investments that manages ~C\$591 Bn in assets



- Cordelio is a renewable power developer that manages and owns over 1.4 GW of operating assets across North America with a heavy focus on future growth
- Cordelio’s growth pipeline currently includes 22+ GW of wind, solar and storage projects across the U.S.
- Cordelio expects to place ~5 GW of capacity into commercial operations through 2027



- Cordelio is a wholly-owned subsidiary of the Canada Pension Plan Investment Board (CPP Investments), the independently governed investment manager of the Canada Pension Plan
- As of December 31, 2023, CPP Investments has \$591B fund billion of assets under management
- CPP Investments uses its scale and long-term investment horizon to competitively position itself in the power and renewables space, particularly focusing on low-carbon energy

# WHY WIND IN ARKANSAS? WHY NOW?

**Increased load and generator retirements**

**Turbine technology and increased efficiencies**

**Stable price of energy**



**5,500 MW of capacity**

**3,000 MW of renewable energy  
generation by 2030**

**Carbon Reduction: target 50%  
reduction by 2030. Net zero by 2050**

**6% of current generation is from  
renewable resources, including hydro**



## **Independence coal plant**

- December 31, 2030
- 826 MW

## **White Bluff coal plant**

- December 31, 2028
- 1,638 MW

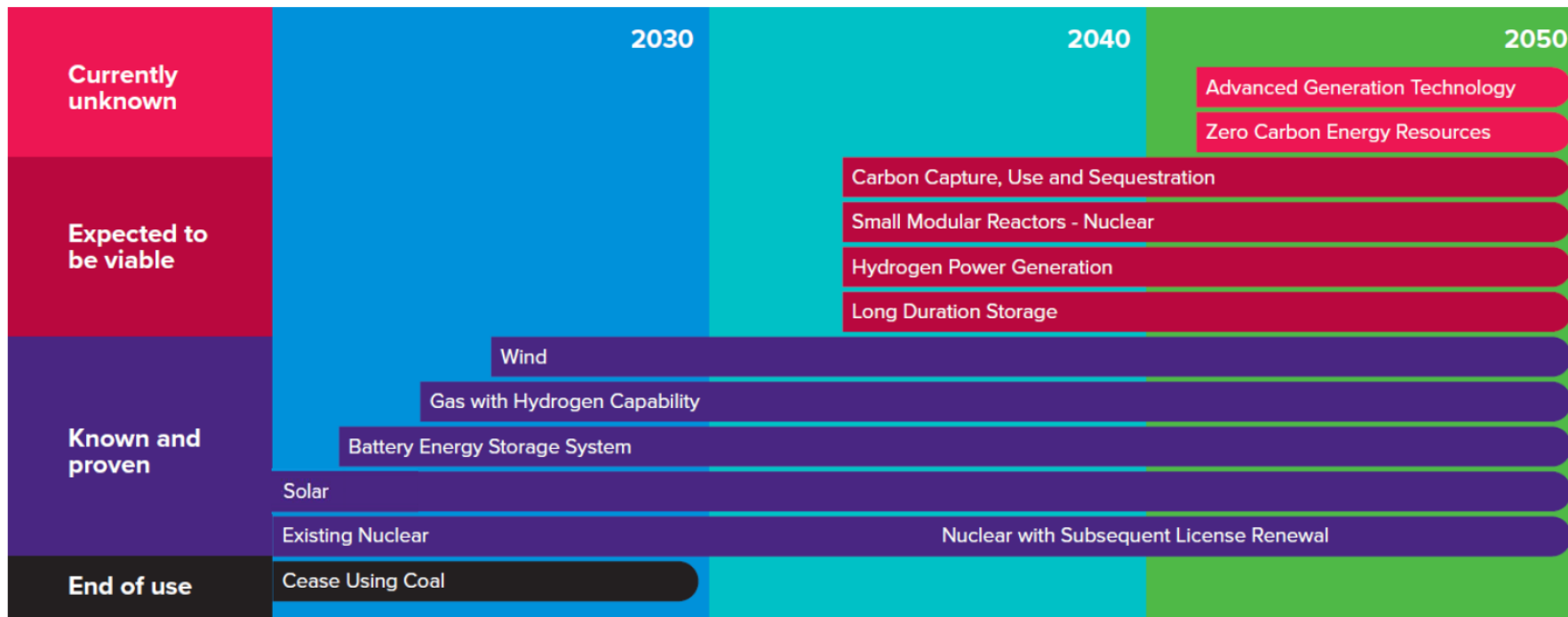
## **Lake Catherine natural gas plant**

- December 31, 2027
- 522 MW



## Illustrative pathway to net-zero by 2050

Technology evolution and integration assumptions



## Cost: Renewable and Storage Resources

Technology	Installed Capital Cost Nominal [2023\$/kWac]	Fixed O&M L. Real [2023\$/kW-yr.]	Levelized Cost of Electricity L. Real [2023\$/MWh]
Utility-Scale Solar	\$1,866	\$13.10	\$63
Hybrid: Solar + BESS	\$2,950	\$19.02	n/a
On-shore Wind, MISO South	\$2,010	\$42.63	\$58
On-shore, Off-system Wind (SPP) <sup>4</sup>	\$1,988	\$42.63	\$141
Storage (4hr, Li-Ion) <sup>5</sup>	\$2,332	\$14.79	n/a

1. Sources: S&P Global, Wood Mackenzie, EPRI, NREL, Entergy Power Development  
 2. There are no variable costs assumed to be incurred  
 3. Excludes transmission interconnection costs  
 4. Includes transmission HVDC costs for a 600 mile line  
 5. BESS Installed Capital Cost includes 10% initial oversizing in year 1 to account for Depth of Discharge (DoD), followed by an additional 10% augmentation every five years (year 6, 11, and 16). This corresponds to a degradation rate of 2% of BESS capacity per year.



# LEVELIZED COST OF ENERGY

## Levelized Cost of Energy Comparison—Historical LCOE Comparison

Lazard's LCOE analysis indicates significant historical cost declines for utility-scale renewable energy generation technologies, which has begun to level out in recent years and slightly increased this year

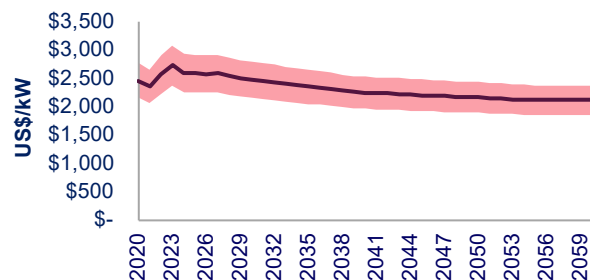
Selected Historical Average LCOE Values<sup>(1)</sup>



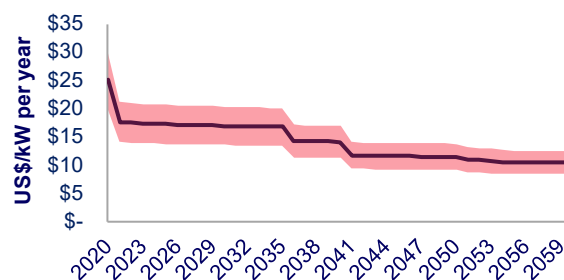


# LCOE INPUT ASSUMPTIONS FOR ONSHORE WIND

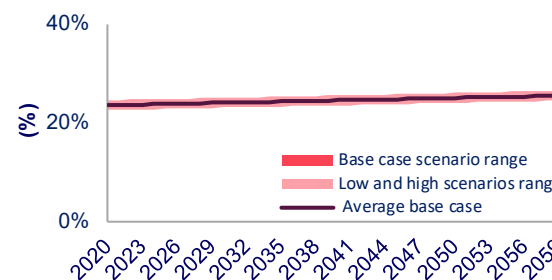
### Capital expenditure



### Fixed and variable O&M cost



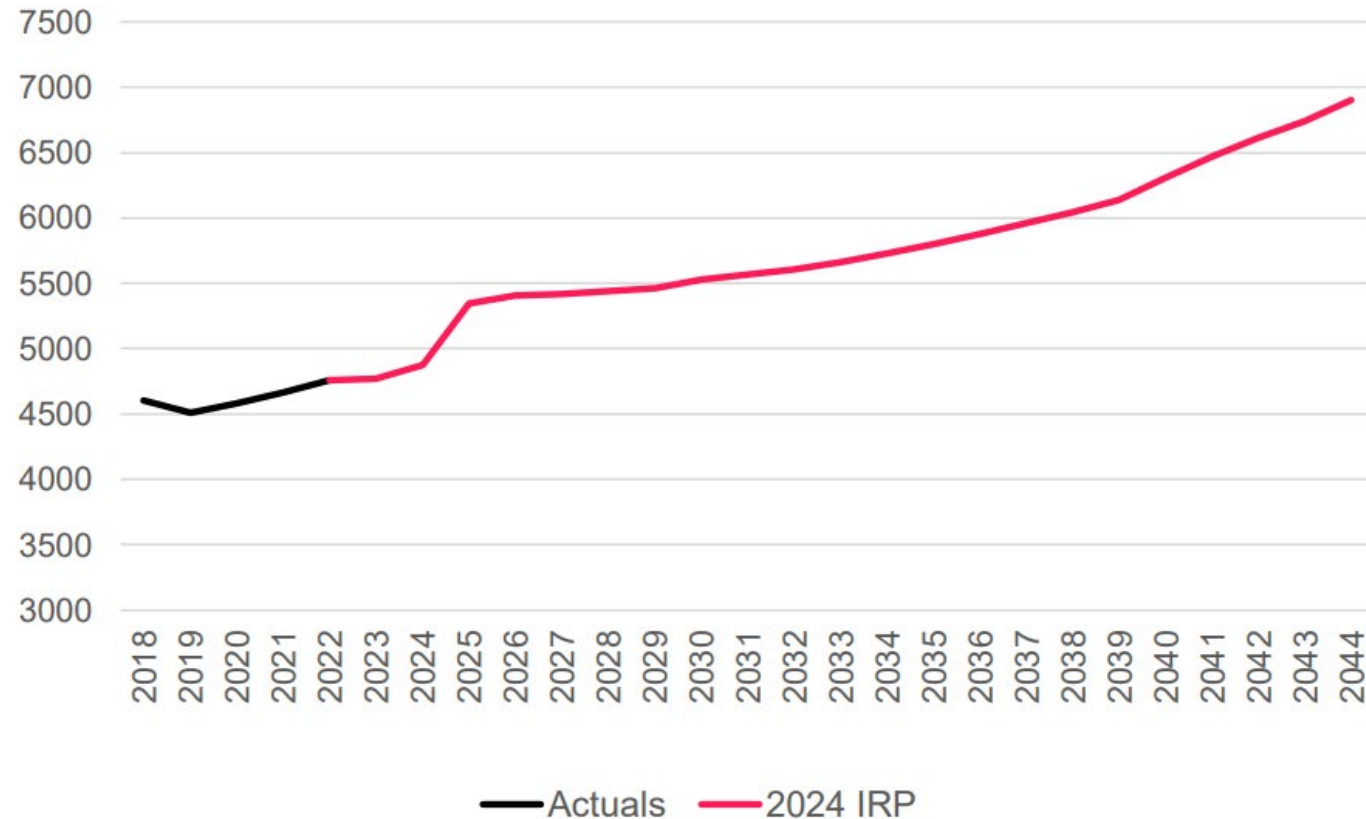
### Net Capacity Factor



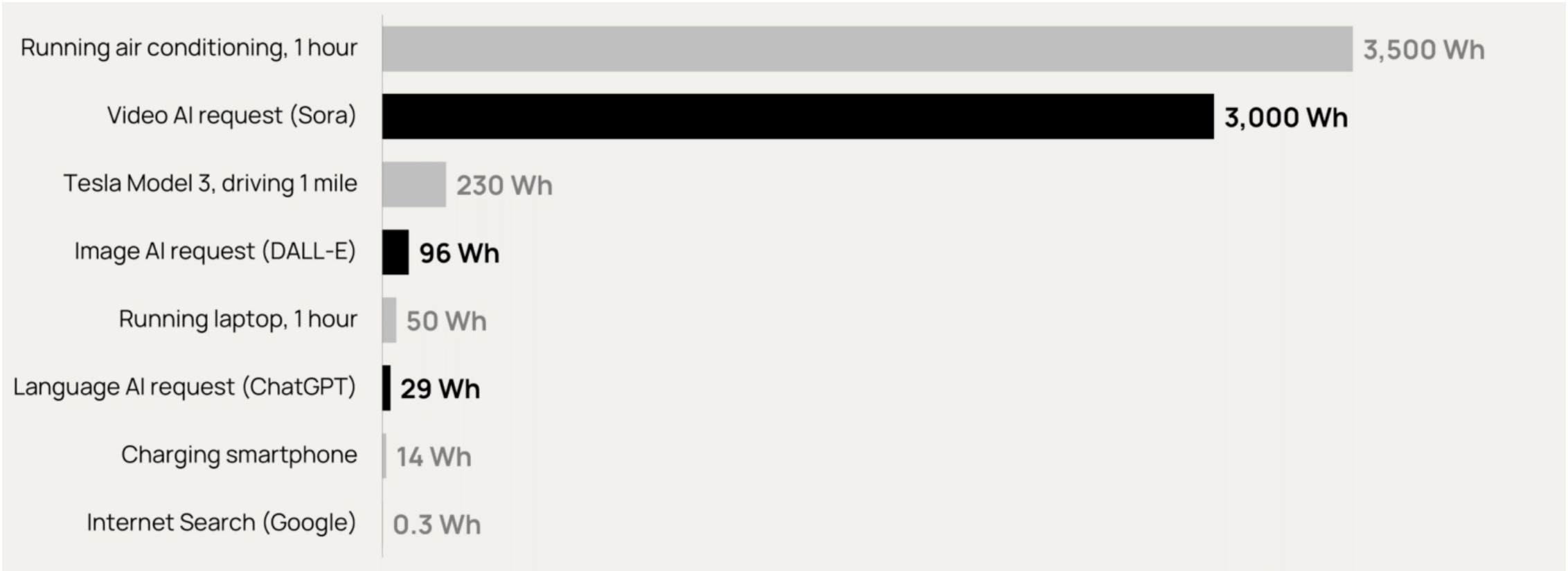
Regional average values	Unit	2024	2030	2040	2060	% change from 2024
<b>LCOE</b>	<b>US\$/MWh</b>	<b>105</b>	<b>91</b>	<b>76</b>	<b>62</b>	<b>-41%</b>
Capital costs	US\$/kW	2600	2486	2253	2121	-18%
Operational costs	US\$/kW-yr	17	17	14	11	-39%
Net capacity factor	%	23.8%	24.1%	24.6%	25.6%	7%
Fuel costs	US\$/mmBtu	0.0	0.0	0.0	0.0	N/A
Target after-tax IRR	%	7.1%	6.2%	6.0%	6.0%	-15%
Project WACC	%	5.4%	4.5%	4.5%	4.5%	-17%

# LOAD FORECAST

Annual Non-Coincident Peak Load MW



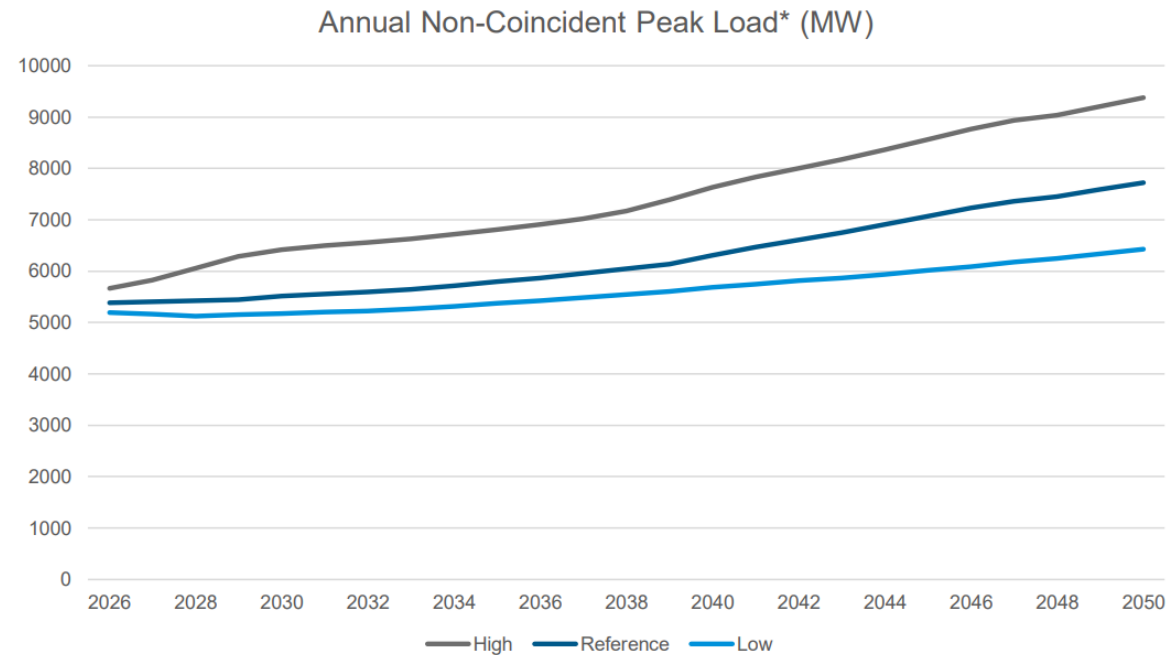
# IMPACT OF ARTIFICIAL INTELLIGENCE



## Load Forecasts – Elements and Peaks

- High and low scenarios depart from the reference case based on increasing/decreasing volumetric levers.

Lever	Adjustments to Ref Case by Scenario	
	Low	High
BTM Solar	Ref	Higher
EVs	Lower	Higher
Building Electrification	Lower	Higher
Energy Efficiency	Higher	Lower
Customer Count (Res & Com)	Lower	Higher
Customer Usage (Industrial)	Lower	Higher



\*Includes distribution losses

1. Jobs
2. Tax revenue
3. Landowner payments
4. Decommissioning agreement
5. Development agreement
6. Road use agreement



# TURBINE PLACEMENT



900 Acres







# CONTACT INFORMATION

Brad Lila  
Development, Vice President  
(612) 590-2586  
[blila@cordeliopower.com](mailto:blila@cordeliopower.com)