



Northland Power America Inc.

Response to BOEM's Call for Information and Nominations for Commercial Leasing
for Wind Power Development on the Outer Continental Shelf Offshore California

January 23, 2019



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Bureau of Ocean Energy Management
(Attn: Jean Thurston)
Office of Strategic Resources
102 - 760 Paseo Camarillo
Camarillo, California 93010

RE: Call for Information and Nominations for Commercial Leasing for Wind Power Development on the Outer Continental Shelf Offshore California (“BOEM Call”)

Dear Ms. Thurston,

Northland Power America Inc. (“NPAI”) is pleased to submit this response into the BOEM Call. This submission is intended to indicate interest from NPAI in acquiring one or more leases on the outer continental shelf offshore California for potential future development of one or more offshore wind projects.

NPAI is a wholly owned subsidiary of Northland Power Inc. (“NPI”), a global developer, owner and operator of sustainable infrastructure. NPI’s +2,400 MW portfolio of generation assets includes 642 MW¹ of operating offshore wind projects and 269 MW of offshore wind capacity under construction. Additionally, NPI owns +1,000 MW of offshore wind projects currently in development.

NPAI appreciates your review of our submission and we are looking forward to working with the BOEM on developing an offshore wind industry in California.

If you have any questions, comments or requests for additional information or clarification, please do not hesitate to contact:

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Sincerely,

Michelle Chislett

¹ NPI owns 60% of the 600 MW Gemini offshore wind project and 85% of the 332 MW Nordsee One offshore wind project, together the net interest of NPI totals 642 MW.

Documentation demonstrating NPI's technical and financial capability to construct, operate, maintain and decommission offshore wind facilities, in accordance with the requirements of 30 C.F.R. 585.107(a).

1) NPI's Financial Capability

NPI COMPANY PROFILE

NPI is publicly traded on the Toronto Stock Exchange (TSX:[NPI](#)) since 1997. NPI's business strategy is based on providing a balance of stability and growth to investors. The Company's objective is to maximize long-term shareholder value by maintaining stable and sustainable dividends and pursuing measured growth in the independent power producer industry. NPI aims to achieve this objective by maintaining a robust development pipeline along with maintaining the expertise to effectively manage projects from inception throughout their complete lifecycle, from development, to financing, to construction and to long-term operations.

NPI is a corporation governed by the Business Corporations Act of Ontario. The registered head office of NPI is located at 30 St. Clair Avenue West, 17th Floor, Toronto, Ontario, Canada. The following is a list of NPI's principal subsidiary entities (NPI's ownership and voting interest of each such subsidiary is 100% except as indicated in the footnotes), showing the jurisdiction where they were incorporated or otherwise established.

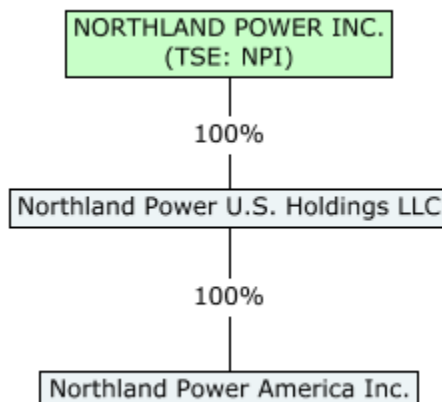
	Geographic region ⁽¹⁾	% voting ownership ⁽²⁾ as at March 31, 2018
Offshore Wind		
Buitengaats C.V. and ZeeEnergie C.V. (“ Gemini ”)	The Netherlands	60.0%
Nordsee One GmbH (“ Nordsee One ”)	Germany	85.0%
Northland Deutsche Bucht GmbH (“ Deutsche Bucht ” or “ DeBu ”)	Germany	100.0%
Thermal		
Iroquois Falls Power Corp. (“ Iroquois Falls ”)	Ontario, Canada	100.0%
Kingston CoGen Limited Partnership (“ Kingston ”)	Ontario, Canada	100.0%
Kirkland Lake Power Corp. (“ Kirkland Lake ”) ⁽³⁾	Ontario, Canada	100.0%
North Battleford Power L.P. (“ North Battleford ”)	Saskatchewan, Canada	100.0%
Spy Hill Power L.P. (“ Spy Hill ”)	Saskatchewan, Canada	100.0%
Thorold CoGen L.P. (“ Thorold ”)	Ontario, Canada	100.0%
On-shore Renewables		
Four solar facilities (“ Cochrane Solar ”)	Ontario, Canada	62.5%
Grand Bend Wind L.P. (“ Grand Bend ”)	Ontario, Canada	50.0%
Saint-Ulric Saint-Léandre Wind L.P. (“ Jardin ”)	Québec, Canada	100.0%
McLean’s Mountain Wind L.P. (“ McLean’s ”)	Ontario, Canada	50.0%
Mont-Louis Wind L.P. (“ Mont Louis ”)	Québec, Canada	100.0%
Nine wholly owned solar facilities (“ Solar ”)	Ontario, Canada	100.0%

(1) Geographic region corresponds to place of incorporation or, in the case of partnerships, registration, for all entities listed except North Battleford and Spy Hill, which are registered in Ontario, Canada.

(2) As at March 31, 2018, Northland’s economic interest was unchanged from December 31, 2017, with the exception of the sale of Northland’s 77% economic interest in Cochrane Power Corporation thermal facility, which ceased operations in 2015. Refer to Note 7 for additional information.

(3) Northland holds a 68% controlling interest in Canadian Environmental Energy Corporation (CEEC), which holds 100% of the voting shares of Kirkland Lake. Northland’s effective net economic interest in Kirkland Lake is approximately 77%.

CORPORATE STRUCTURE – US DEVELOPMENT



Northland Power America Inc. is a Delaware corporation organized under the laws of the United States.; a Certificate of Incorporation has been included in this submission as Attachment 2.

Short-Term Financing Available to Acquire Leases and Fund Initial Activities

Upon a successful bid outcome, NPI's commitment to acquisition and development costs would be met through funds on hand and available to us from our line of credit.

As of Q3, 2018 published financial statements show Cash and Cash Equivalents of over +\$300 million CAD (Approx. USD +225 million) and available amount under NPI's corporate credit facilities of +\$800 million CAD (Approx. USD +600 million). Audited Financial reports are included as Attachments 1.1 – 1.4.

This total available liquidity, Cash and Cash Equivalents plus access to Line of Credit funds, will be sufficient to support lease acquisition and initial development activities.

Estimate of Initial Development Expenses^{2,3}

[Confidential]

Long-Term Financing Available for Subsequent Phases of Development

For long-term financing NPI would intend to finance subsequent phases of development using access to funds under our Line of Credit, with take-out financing or replacement financing to be determined at a later time. A favored option by NPI will be project finance.

Northland Power Inc. has enjoyed continued access to the capital markets over the past number of years with the raising of specific project financing of over \$10 billion CAD for separate projects including two offshore wind project financings in the North Sea worth over \$6 billion EUR. Additionally, over \$600 million CAD has been raised through issuance of convertible debentures, common shares and preferred shares in the past 3 years. Northland is a public company traded on the Toronto stock exchange, with a market capitalization of \$4.1 billion on common and Class A shares.

NORTHLAND'S EXPERIENCE RAISING CAPITAL

Offshore Wind

In May 2014, Gemini completed €2.0 billion of non-recourse project financing with a syndicate of international financial institutions and public financing agencies.

In March 2015, Nordsee One project reached financial close, with all of the equity contributed to the project and all debt required for the project being fully committed by the project lenders. Approximately 70% of the project's required costs will be provided from an €903 million non-recourse project financing with a syndicate of international financial institutions, including a €63 million facility of contingent debt.

² Assumption for development expenses will vary based on market conditions, system specifications and overall assumed capacity (MW)

³ This does not include acquisition cost(s) for renewable energy lease(s)

In August 2017, Northland completed project financing for the Deutsche Bucht project, with all of the equity contributed to the project and all debt required for the project fully committed by the project lenders. Northland owns 100% of the 252 MW offshore wind farm which will be located in the German North Sea. Approximately 75% of the project's required costs will be provided from a EUR988 million non-recourse construction and term loan and related loan facilities from ten international commercial lenders. The total estimated project cost is approximately EUR1.3 billion.

Onshore Wind

In October 2013, McLean's LP entered into a non-recourse credit facility with a syndicate of institutional lenders for a \$135 million senior secured construction and term loan.

In March 2015, Northland completed project financing for the Grand Bend Wind Project, with all of the equity contributed to the project and all debt required for the project fully funded by the project lenders. Approximately 85% of the project's required financing was provided by a \$326 million non-recourse project financing and a \$16 million letter of credit.

Solar PV

In September 2013, Northland completed \$84 million of non-recourse project financing and a \$4.5 million letter of credit facility for two of the ground mount solar Projects with two commercial banks.

In April 2014, Northland completed \$240 million of non-recourse project financing and a \$25 million letter of credit facility for five ground mount solar Projects with a syndicate of lenders.

In October 2014, Northland announced the closing of a \$232 million, senior secured amortizing Series A bond issuance by its wholly-owned subsidiary, Northland Power Solar Finance One LP. The bonds were rated BBB (high) by DBRS.

Thermal

In September 2013, Northland announced the closing of \$667.3 million senior secured amortizing Series A bonds issued by North Battleford LP. The bonds were rated A (low) by DBRS.

In January 2013, Northland announced the closing of \$156.3 million senior secured amortizing Series A bonds issued by Spy Hill LP. The bonds were rated A (stable) by DBRS.

In January 2013, Kingston LP repaid in full its non-recourse bank term loan and senior secured note and settled its associated interest rate swaps.

In March 2015, Northland completed the refinancing of the bank debt facility at its Thorold cogeneration plant. The credit facility is non-recourse to Northland and comprises \$183 million bank term loan and \$16 million letter of credit facility, along with an existing institutional term debt of \$179 million.

SUMMARY OF NORTHLAND'S CORPORATE FINANCING ACTIVITY

In September 2015, Northland's Series 1 preferred shareholders converted 1,498,435 cumulative rate reset preferred shares, series 1 ("Series 1 Preferred Shares") into cumulative floating rate preferred shares, series 2 ("Series 2 Preferred Shares").

In September 2015, Northland closed the financing of a \$100 million corporate letter of credit facility. The facility provides additional capacity to support the letters of credit Northland is required to provide as security for its operating, construction and development activities.

In March 2015, Northland completed a public offering of Common Share ("Shares") representing gross proceeds of \$231.0 million (\$221.3 million after costs and underwriters' fees). Concurrently with the public offering of Shares, Northland completed a \$50 million private placement of additional Shares to a subsidiary of Northland Power Holdings Inc., a company controlled by the Chairman of Northland, James C. Temerty. Northland used the net proceeds to fund a portion of its investment in Nordsee One and Grand Bend, to replenish working capital and for general corporate purposes.

In February 2015, Northland completed an additional amendment to its corporate credit facility, after an original amendment in March 2014. See more details in the Northland Corporate Facilities section of Northlands 2015 Annual Information Form.

In January 2015, Northland announced the closing of a \$157.5 million offering of 4.75% convertible unsecured subordinated debentures maturing on June 30, 2020 ("2020 Debentures"). Net proceeds from this offering was used to fund a portion of Northland's investments in Nordsee One and Grand Bend, to replenish working capital and for general corporate purposes.

In March 2014, Northland announced the closing of a \$157.5 million offering of Shares and \$78.8 million of 5.00% convertible unsecured subordinated debentures, Series B maturing in June 30, 2019 ("2019 Debentures"). Northland also issued, on a private placement basis, additional Shares to a subsidiary of Northland Power Holdings Inc. The aggregate gross proceeds from the offering and private placement were \$286.3 million (\$275.7 million after transaction costs and underwriters' fees). Net proceeds raised from this offering, along with a combination of Northland's \$250 million corporate term facility and cash on hand were used to purchase Northland's share of Gemini and subsequent equity investment and subordinated loan into the project.

NPI did NOT experience any adverse financial proceedings or bankruptcy within the last 5 years

2) NPI's Technical Capability

NPI is a global developer, owner, and operator of sustainable infrastructure with operating and development projects across North America, Europe and Asia. Our portfolio of +2,400 MW produces electricity from clean-burning natural gas and renewable resources such as wind, solar and biomass, which includes 642 MW of operating offshore wind and 269 MW of offshore wind under construction.

Our senior leadership and management have over 200 years of combined experience in the energy industry with an average tenure at Northland of 13 years. Our approximately 300 employees work out of the Toronto head office and at our various project sites.

Key Personnel	Company	Title
Mike Crawley	Northland Power Inc.	Chief Executive Officer
Paul Bradley	Northland Power Inc.	Chief Financial Officer
Troy Patton	Northland Power Inc.	Chief Operating Officer
Morten Melin	Northland Power Inc.	Executive Vice President, Construction
Dino Gliosca	Northland Power Inc.	Vice President, Engineering
Paul Kaminski	Northland Power Inc.	General Manager, Construction
Calvin McCormack	Northland Power Inc.	Vice President, Facility Operations
John Windsor	Northland Power Inc.	Vice President, Energy Services and Asset Management

Note: Curriculum Vitae for each key personnel has been added as Appendix 2 at the end of this document

AGGREGATED SUMMARY OF NPI's Operating and Development Projects

Aggregated Summary		
Project Type	Aggregated Capacity in MW (Net Interest to NPI)	Number of Projects
Off-Shore Wind	1,074	4
On-Shore Wind	336	4
Ground Mounted Solar	115	13
Thermal & Biomass	943	8
Total	2,468	29

NPI's Offshore Wind Experience

Summary of NPI's Offshore Wind Projects

Project	Capacity (MW)	NPI Interest	Location	Year of Operation	Status
Gemini	600	60%	North Sea, Netherlands	2017	In Operation

Nordsee One	332	85%	North Sea, Germany	2017	In Operation
Deutsche Bucht	269	100%	North Sea, Germany	2019	In Construction
Hai Long 2	532	60%	Taiwan	2024	In Development
Hai Long 3	512	60%	Taiwan	2025	In Development

Gemini Off-Shore Wind

[Confidential]

Nordsee 1 Off-Shore Wind

[Confidential]

Deutsche Bucht Offshore Wind

[Confidential]

Hai Long 2 Offshore Wind

[Confidential]

Summary of NPI's Role in Each Offshore Wind Project

Project	Development	Financing	Construction	Operation
Gemini	Yes	Yes	Yes	Yes
Nordsee One	Yes	Yes	Yes	Yes
Deutsche Bucht	Yes	Yes	Yes	Planned
Hai Long 2	Yes	Planned	Planned	Planned
Hail Long 3	Yes	Planned	Planned	Planned

Summary of Existing Relationships with Offshore Wind Suppliers and Contractors

[Confidential]

Key Personnel Involved in NPI's Offshore Wind Projects

[Confidential]

NPI did NOT have any significant, relevant and adverse legal or regulatory actions taken against it in the last 5 years.

Documentation demonstrating that NPI is legally qualified to hold a lease in accordance with the requirements of 30 C.F.R. 585.106 and 585.107(c).

See Exhibit 1: NPAI's Certificate of Incorporation and Secretary Certificate

(See Subsequent Pages)

[Confidential]

State of Delaware
Secretary of State
Division of Corporations
Delivered 04:42 PM 07/09/2012
FILED 04:40 PM 07/09/2012
SRV 120917422 - 5181039 FILE

STATE OF DELAWARE
CERTIFICATE OF INCORPORATION
A STOCK CORPORATION
OF
NORTHLAND POWER AMERICA INC.

FIRST: The name of this corporation is NORTHLAND POWER AMERICA INC.

SECOND: The address of the registered office of the corporation in the State of Delaware is located at 1679 S. Dupont Highway, Suite 100, City of Dover, County of Kent, 19901. The name of the registered agent of the corporation at that address is Registered Agent Solutions, Inc.

THIRD: The purpose of the corporation is to engage in any lawful act or activity for which corporations may be organized under the General Corporation Law of Delaware.

FOURTH: The total number of shares of stock which the corporation is authorized to issue is one hundred (100) shares of common stock with no par value and one hundred (100) shares of preferred stock with no par value.

FIFTH: The powers, designations, preferences and rights and the qualifications, limitations or restrictions thereof shall be determined by the Board of Directors.

SIXTH: The name and mailing address of the incorporator is as follows:

Kevin T. Lewman
555 S. Flower Street
Suite 3500
Los Angeles, CA 90071

IN WITNESS WHEREOF, the undersigned, being the sole incorporator, for the purpose of forming a corporation under the laws of the State of Delaware, does make, file and record this Certificate of Incorporation, and does hereby certify that the facts stated herein are true, and I have accordingly hereto set my hand this 9th day of July, 2012.

/s/ Kevin T. Lewman
Kevin T. Lewman, Sole Incorporator

BOEM Protraction name, number, and specific whole or partial OCS blocks within the Call Area(s) that NPI is interested in leasing

NPI's initial assessment of the available sites to develop offshore wind in the US has led it to determine that the next opportunity for NPI could potentially be in the Humboldt, Morro Bay and the Diablo Canyon Call Areas. NPI is in the process of reviewing each block within each Call Area to determine which block(s) will be pursued in any future competitive leasing process.

Spatial files, compatible with ArcGIS 10.5 (NAD83), for all areas of interest to NPI have been included in the "Maps" folder on the data storage device attached to this hard copy document.

Description of NPI's objectives and the facilities that NPI would use to achieve those objectives

NPI's objective is to develop, build, own and operate offshore wind projects on the OCS offshore California. NPI is an established player in the global offshore wind industry, as discussed in detail under the financial and technical capabilities sections and will leverage its capabilities and existing relationships with suppliers and contractors in the offshore wind industry to achieve this objective.

A preliminary schedule of proposed activities, including those leading to commercial operations

NPI is conducting early stage development activities in the Humboldt, Morro Bay and Diablo Canyon Call Areas. NPI aims to establish a detailed schedule of proposed activities through commercial operations by end of 2019.

Available and pertinent data and information concerning renewable energy resources and environmental conditions in the area(s) that NPI wishes to lease.

NPI is conducting early stage development activities in the Humboldt, Morro Bay and Diablo Canyon Call Areas. NPI aims to establish a detailed schedule of proposed activities through commercial operations by end of 2019.

Appendix 1.1 NPI Financial Report FY 2017

(See printed copy included as an attachment)

Appendix 1.2 NPI Financial Report Q1 2018

(See printed copy included as an attachment)

Appendix 1.3 NPI Financial Report Q2 2018

(See printed copy included as an attachment)

Appendix 1.4 NPI Financial Report Q3 2018

(See printed copy included as an attachment)

Appendix 2 – Curriculum Vitae for NPI’s Key People

[Confidential]