

Confidential

September 8, 2005
T.M.Carbone

To: Dave Spalding
Shane Payette
From: Thomas M. Carbone
Date: September 8th, 2005
Subject: Wind Plus Visit Report Sept 6-8, 2005

Thank you for the opportunity to visit and conduct a review of the company operations during Sept. 6-8th. I needed to do this consistent with our prior discussions, as a prelude to my involvement in Wind Plus. I am also grateful for the time and attention that have been provided by you and your staff.

As per our discussions, I am providing some observations, recommendations and conditions regarding my future involvement based on this visit.

My overall *observations* are as follows:

- There *is* an overall vision to "be a leading developer, owner, operator of wind power by generating revenues from sales to both wholesale and retail customers". However, there is no evidence of a written or communicated plan with specific actions, dates and accountabilities to support that vision.
- The company is grossly under funded with 40% of its \$2.1 million of outstanding notes now due. The bank account had less then \$4,000 in it at the end of the last month.
- The company has not invested adequately in areas that would increase the value of its project development efforts – i.e. meteorological station(s) for the Morgan Ranch project.
- The company is incurring a level of expenses that are not appropriate for its present situation and stage of development.
- The company is not adequately structured as a corporate entity. It is not acting or managed as a separate legal entity from its owner/founder.
- Several key managers have recently left the company. The small remaining team of consultants are committed to completing their assignments. These assignments change from time to time based on directions from the owner/founder.
- The competence level of the staff is adequate for the assignments they are currently working on. However, the staff has very limited experience



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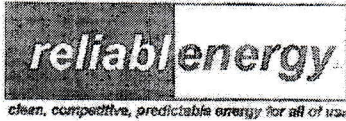
in project development, let alone wind power development and will need to be supplemented

- There is little to no evidence of leadership managing both the planning and quality of assignments to complete the Morgan Ranch debt & equity funding.
- The Morgan Ranch development asset is in risk due to a presently uncured default under the land lease option agreements.
- The Sterling City development asset is in risk due to nonpayment of the project's rights transfer agreement fee.
- These projects can be completed successfully!

Recommendations:

A: Company Level:

1. Convert Wind Plus into a proper legal entity – the asset transfer to a Delaware holdings entity must have oversight by both legal and financial advisors.	Immediately
2. Agree on the direction for both short and long company strategy. The strategy must have both Company and Project level objectives. Draft a Business Plan consistent with that direction. The Business Plan should be developed by conducting an internal seminar with all staff involved and prepared to contribute.	During Sept. 19-30th
3. Appoint/recruit a proper Board of Directors. Involve at least two independent outside directors – one with corporate financial oversight and another with legal/governance oversight. An interim board can be established until the long term individuals are appointed.	By mid-October for presentation and acceptance of the Business Plan
4. Adequately capitalize the company and/or establish a funding mechanism that will support the forward moving costs to	By mid-October consistent with adopted business plan.



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T.M. Carbone

complete the Morgan Ranch project finance effort.	
5. Establish a chart of accounts and appoint at least two officers that have authority to jointly approve expenditures, bank transfers, etc.	Immediately
4. Revise consultant agreements such that their terms are "market based" and consistent with present stage of company's development/financial situation. Pay all the overdue compensation – remove the "cloud" of suspicion.	By late-September
5. Owner/Founder will draw a salary and be reimbursed for business related expenses upon presentation of supporting documents. Advances to individuals will be subject to Board approvals.	By late-September
6. The company will prepare monthly financial statements for management and Board review and approval. The financials must be of a standard that will be acceptable for lender/partner review.	Immediately
7. Formalize the shareholder/note holder relations effort. Regular and accurate communications on company developments and progress.	Immediately

B. Project Level

1. Staffing: <ul style="list-style-type: none"> • Rehire Bill Alexander • Add Financial Sr. Analyst • Add secretary/assistant 	Full-time in mid-Sept. Full-time in late Sept. Part-time in late Sept.
2. Define details Morgan Ranch Project Development completion tasks including associated timelines, resources and accountabilities.	During Sept. 19-30th
3. Determine budget for Project Development completion. These amounts to be	By late-September



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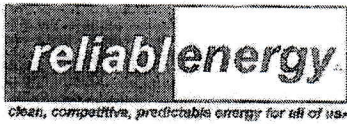
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included in the Company business plan and for use in the capitalization/funding program	
2. Create valid and verifiable financial models for several funding scenarios: <ul style="list-style-type: none">• Un-levered base case scenario• Traditional tax equity and debt scenario (GP/LP flip structure)• IRB max debt scenario• Others to be defined	By mid-October
3. Cure defaults at Morgan Ranch and Sterling City	Immediately

Conditions of Assignment

The following are additional conditions and/or revisions that we will need to come to agreement on prior to my involvement at Wind Plus.

- All of the Company Level recommendations shown above are agreed to be implemented in a timely fashion, and these would start immediately.
- An interim Board would be established, consisting of S. Payette, D. Spalding, a lawyer and a CPA. The lawyer and CPA can be the ones used to perform the asset transfer to the Delaware holdings company.
- Shane Payette would act as the interim President & CEO.
- Dave Spalding would take responsibility for investor relations and raising funds – he would participate/contribute to the regular management meetings.
- I would essentially perform those responsibilities given to a COO.
- I would report to the CEO and the interim Board.
- The development organization would report to me during the assignment period. My role would be focused on project management of the completion of the Morgan Ranch project development effort and advising the company on strategy and business planning.
- I would not be involved with, or make any representations to (directly or indirectly) any securities agencies.
- I would not be involved in, or required to raise capital.
- I will assist in the recruiting a long-term CEO.
- I will consider a Board assignment in the future.



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Whether or not we conclude an agreement for my involvement, and if you agree, I can come to Dallas during the period of Sept. 19-30th to lead and conduct the internal strategy and business planning seminar, as well as bring in resources to complete some of the initial modeling required for the financial scenarios. I would be paid for this work and reimbursed for my expenses during that period. Then at that point, we will have a very clear picture of a need for an extension of our relationship as contemplated in the draft consultant agreement.

Please reflect on these observations, recommendations and conditions. The three of us can discuss these items over the weekend.

Kind regards,

Tom Carbone