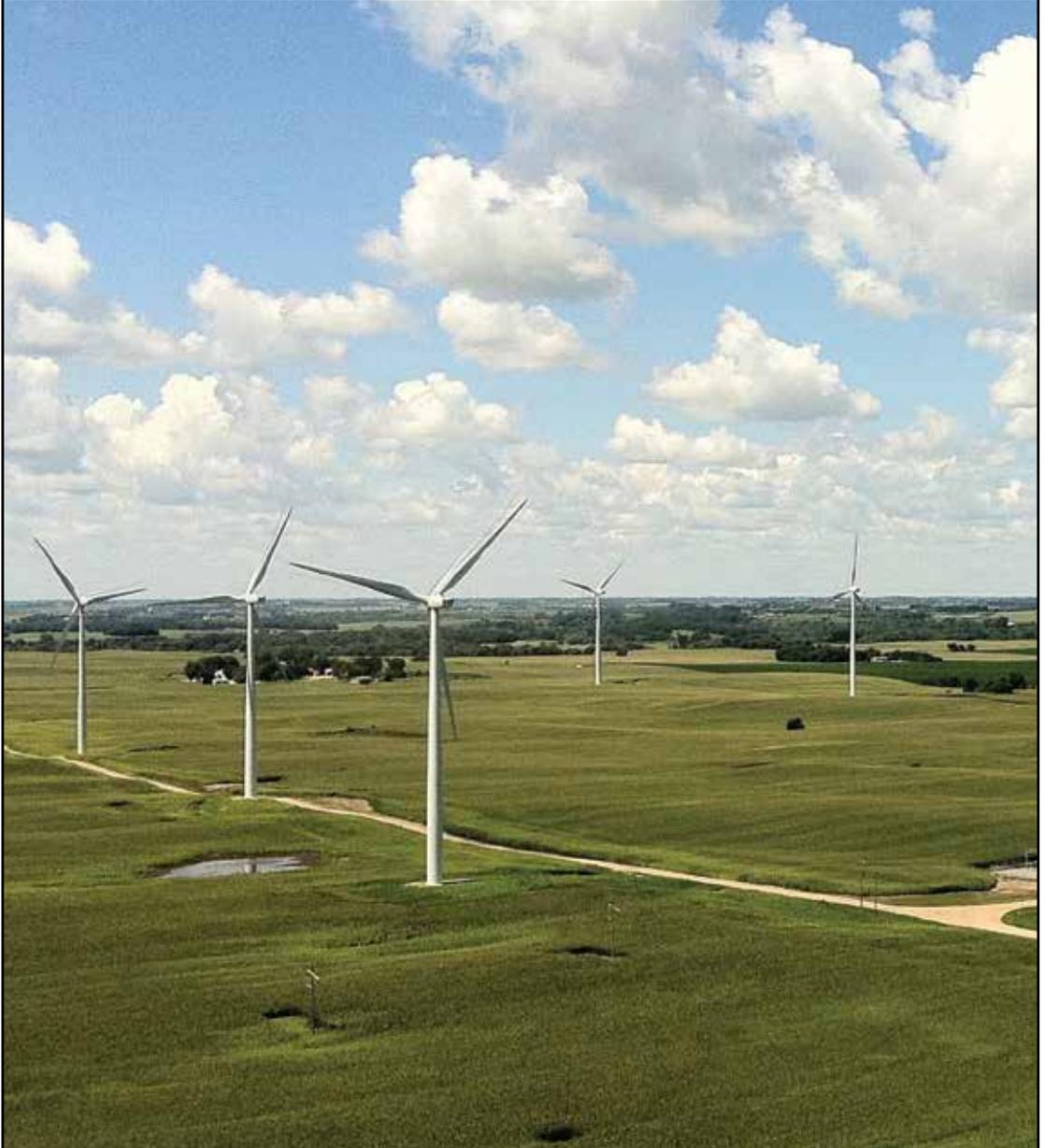


COMPANY PROFILE

JUHL ENERGY, INC.

By Stephen Sisk



Founded by an industry pioneer 35 years ago, Juhl Energy, Inc. focuses on community wind development, while laying the groundwork for growing its ownership and operation division.

WHEN IT COMES TO COMMUNITY wind development, Dan Juhl is nothing less than a legend. He wrote the book... well, co-wrote it anyway. He is a Vietnam War veteran. In a former life, he was a rock star—playing lead guitar alongside his front-woman wife Mary, in the band Renegade (not to be confused with the mid-80s California-based Hispanic rock trio of the same name).

But Juhl's career didn't really take off until he arrived on the scene at Woodstock... Minnesota.

It was there in 1983—just five years into his wind energy career—that Dan Juhl began consulting work for wind farm developers in the U.S. and abroad. Based on this consulting experience, Juhl formed a wind energy development strategy geared toward shifting ownership of wind farm projects—wholly or partially—to the community or other entity the project would service.

Adopting this concept as an operating philosophy, Juhl was highly instrumental in developing the commonly accepted business model for community wind farms. The model remains largely unchanged today.

In 1988, Dan and Mary founded DanMar—the company that would eventually evolve into Juhl Energy, Inc. Using the community wind model, DanMar developed a wind farm for the city of Marshall, Minnesota—the first of its kind in the U.S.

DanMar developed 13 community wind projects totaling 118MW of installed capacity during the years leading up to 2008, when the company went public and changed its name to Juhl Wind, Inc.

Today, the company has offices in Chicago, Minneapolis, Milwaukee, and Madison, Wisconsin. The main office, however, is located in Pipestone—a small town in the wind-centric southwest corner of Minnesota. It's about 10 miles west of the company's first office in Woodstock. One could even say it's in the same community.

Since inception, the company has built a sizable portfolio of business segments and assets covering all areas of community wind development and its associated services and industries.

In recent efforts toward diversification, the company is now also involved in solar, biomass, and natural gas energy generation.

"We always had the view to take Dan's community wind concept and expand upon it for community energy, and to kind of break the logjam of capital," said John Mitola, president of Juhl Energy, Inc. "Most wind power development companies have

some tie to the large, institutional investment community."

According to Mitola, survival in that market climate means that a development company has to prove to investors that it is committed to long-term operations, and has the resources to carry out that plan.

"To remain independent and attract all forms of capital, you've got to be able to show people that you've got engineers and technicians that can respond to a complex problem on a moment's notice anywhere in North America," he said. "Diversification is important to make us sustainable, but it is also really important to provide confidence to investors."

Reflecting that diversification, the company altered its name to Juhl Energy, Inc. earlier this year.

The company structure now consists of five subsidiary companies, each representing a dedicated segment of the energy industry—project development, operations and maintenance services, engineering and consulting, small-scale renewable systems, and IPP/asset ownership.

Juhl Energy Development, Inc. is the energy project development arm of the company, focused on large-scale wind, solar, and cogeneration projects. This segment performs a full-range of development services, including siting and feasibility, finance, design, construction, and operations for customers seeking to develop wind or solar projects for industrial sites, municipal utilities, universities, farmers, and large commercial properties.

"We are focused on wind development, but we've been changing our focus from medium-scale utility PPA-driven projects to on-site projects, and to real community-based projects where we would be serving municipal electric companies," Mitola said.

To date, the company has completed development on 22 wind farms totaling more than 195MW of installed capacity. Juhl Energy is currently involved in the development of more than 25 wind farm projects that will comprise over 405MW of capacity upon completion.

The company's asset ownership and operations subsidiary—Juhl Renewable Assets, Inc.—currently owns three wind farms totaling 21.7MW of capacity, and is focused on expanding that portfolio through the acquisition of existing wind, solar, and other renewable energy generation plants.

"Our biggest thrust in renewable assets is to acquire existing wind farms. We believe we are the



only viable buyer of existing wind farms under 50MW,” Mitola said. “The big utility companies, they don’t want assets of that size. There are very few out there who are very serious about owning and operating wind power in the long term.”

By the company’s estimate, growth opportunities are significant, with more than 500 small (50MW or less) wind farms currently online in the U.S. Examples of projects Juhl is seeking to acquire would be those in which the current owner is seeking liquidity, as well as projects that are nearing the end of their PTC benefit.

In raising capital for future acquisition and development, the company again took a cue from its founder’s guiding philosophy of community and private ownership.

“We believe we are the only wind company in the U.S. that has allowed individual investors to come into these wind projects alongside us,” Mitola said.

The capital campaign includes the issuance of Juhl Renewable Assets preferred stock, which to date has raised \$5.5 million through private offering. The company expects to offer the stock publicly in 2014, Mitola said.

The company’s services division, consisting of Juhl Energy Services and Juhl Tower Services, contracts with wind farm operators to provide administrative and on-site operations support, full-time plant monitoring, and a comprehensive portfolio of maintenance functions. Tower Services personnel provide support for wind turbine towers, and—in a break from its renewable energy focus—cellular communications towers.

With the acquisition of Power Engineers Collaborative in 2012, Juhl expanded its consulting services arm. Working primarily with utilities, municipalities, industrial sites, and independent power producers, PEC provides a full range of engineering services (power, mechanical, electrical, and process), as well as comprehensive project development—from planning and design through construction.

In the small-scale market, Juhl Renewable Energy Systems designs and sells systems targeted to customers with smaller, on-site generation and backup needs—small businesses, homeowners, school buildings, and landowners, among others. Products include:

- Solarbank—an on-site, pre-packaged solar power system designed to reduce utility dependence and ensure power availability.
- Windharvester—a 30kW distributed wind turbine, utilizing unique controls normally reserved for utility-scale WTGs.
- Powerbank—an on-site backup power system, providing an on-demand energy source when grid power is unavailable.

Although Juhl’s development and ownership projects have been concentrated in the Midwest thus far, the company is currently expanding that reach to include the Eastern and Western U.S., as well as parts of Canada. ↴