

From: Graham Beatty [gbeatty@poseidonwater.com]
Sent: Wednesday, February 08, 2017 11:16 AM
To: Kennedy, John
Cc: Scott Maloni
Subject: RE: Confidential Financial Model

John,

I've had our legal counsel review and the model has been sent to Jeremy Jungreis as per the process described by the NDA. The model will be the same version sent to Clean Energy Capital which describes alternative financing options per the request of the Desal Ad Hoc Committee. We have analyzed alternative financing methods and have developed four new scenarios for informational purposes. As with the previous modeling exercises, these do not represent an offer by Poseidon. Please see attached for the updated model which includes four scenarios 1) Carlsbad Approach with 30 year WPA term 2) Carlsbad Approach with 40 year WPA term 3) Carlsbad Approach with \$200M of prepaid water with 40 year WPA term 4) Carlsbad Approach with Construction Loan and refinancing after the first year of operations (OCWD takes refinancing risk) with 40 year WPA term.

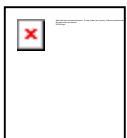
Hope all is well,
Graham

Graham Beatty
Poseidon Water
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From: Kennedy, John [<mailto:JKennedy@ocwd.com>]
Sent: Wednesday, February 08, 2017 10:11 AM
To: Graham Beatty <gbeatty@poseidonwater.com>
Cc: Scott Maloni <smaloni@poseidonwater.com>
Subject: Confidential Financial Model

Graham
Could you resend me the latest financial model.
thanks

John Kennedy
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