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Montana Pumped Storage Hydro Energy Project Secures Lead Equity Investor

Copenhagen Infrastructure Partners (“CIP”) through Copenhagen Infrastructure III K/S (“CI III”) invests in Gordon Butte Pumped Storage Project

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June 27, 2019

BOZEMAN, Montana – Absaroka Energy LLC, the developer of a closed loop Gordon Butte Pumped Storage Hydro Project (www.gordonbuttehydroproject.com) with the assistance of investment banking advisors Green Giraffe (<https://green-giraffe.eu/>), Bostonia Partners (<https://bostonia.com/>), and Voltiq (<https://voltiq.com/en/>), have entered an agreement securing equity investment capital for the project from Copenhagen Infrastructure Partners (CIP), Denmark.

Based in Montana, Absaroka has been responsible for the development of the 400-megawatt, closed-loop Gordon Butte Pumped Storage Hydro Project located near Martinsdale, Montana. To date, Absaroka has secured the site, obtained water rights and permits including receipt of a new major hydro license for the construction and operation of the facility from the Federal Energy Regulatory Commission (FERC). The project is in an advanced stage of development and will be ready for construction in 2020.

“Montana could be the epicenter of Northwest U.S. energy generation potential when linked with the world class capacity and storage technology deployed at Gordon Butte, adding jobs and a new, long-term and sustainable tax base,” said Carl Borgquist, President of Absaroka Energy. “It only makes sense this project attracted a world class investor like Copenhagen Infrastructure Partners who are funding billions of dollars in renewable energy projects across the globe.”

Pumped storage hydro is a robust and rechargeable utility-scale energy storage system – essentially a large hydro battery – that will address difficult reliability challenges currently facing the nation’s electrical grid by creating the sustained ability to quickly respond to variations in demand and generation. (<https://gordonbuttepumpedstorage.com/project-overview/project-video/>).

“At CIP, we focus on teaming with leading developers and making investments in energy infrastructure assets with a high degree of stability in cash flows,” said Christian Skakkebaek, Senior Partner at CIP. “With the long investment horizon of our funds, it enables us to participate in large projects overseeing financing, construction and operation. Pumped storage hydro is a unique and valuable asset class that will be a key resource as the global transition to renewable energy continues to accelerate in states such as Montana.”

The project will utilize best-in-class quaternary configuration of pump and turbine equipment provided by GE Renewable Energy allowing the plant to move quickly and seamlessly between pumping and generating, thus creating the most flexible, capable, and low-cost capacity to meet the daily energy needs of residential and commercial customers (<https://www.energy.gov/eere/water/project-profile-transforming-us-market-new-application-ternary-type-pumped-storage>).

As regional energy capacity becomes more constrained, the Gordon Butte facility will be a carbon neutral alternative to the types of natural gas facilities that many of the region’s energy providers are contemplating - and at a lower cost. Advanced pumped storage provides twice as much operational capacity as its nameplate capacity, is faster-acting, is able to both ramp up and down, and does not carry the fuel costs and risks of natural gas-fired facilities.

The Gordon Butte project is sited in Meagher County and located about three miles west of Martinsdale and less than six miles from its interconnection to the Colstrip twin 500 kV transmission lines, the backbone of the Pacific

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Northwest's electric system. This interconnection location will give the facility access to markets in Montana and throughout the region. The project will have minimal environmental impact due in large part to the closed loop nature of the siting and design thus taking the facility out of an existing stream or water impoundment. Capital expenditures to build and operate the project will inject meaningful resources into the state and local economy.

With this investment, CIP will finalize the project development and step into the role of the project's long-term sponsor equity provider. The remainder of the capital structure will be determined prior to start of construction.

*Founded in 2008, **Absaroka Energy LLC** is a renewable energy leader focused on providing clean energy solutions in North America offering international expertise in hydro (pumped storage) wind, solar and smart grid technologies.*
www.absarokaenergy.com www.gordonbuttepumpedstorage.com

***Copenhagen Infrastructure Partners P/S (CIP)** is a fund management company focused on energy infrastructure including offshore wind, onshore wind, solar PV, biomass and energy-from-waste, transmission and distribution, and other energy assets like reserve capacity and storage. CIP has approximately 90 employees. CIP and its projects have offices in Copenhagen, the US, the UK, Germany, and Taiwan.*

CIP manages five funds and has EUR ~7.5bn under management. CI I and CI A have PensionDanmark as founding- and sole investor, while CI II has 19 Danish and international institutional investors and CI III has 42 institutional investors from the Nordics, Continental Europe, the UK, Israel, Asia, Australia, and multi-lateral organizations e.g. EIB. The most recent fund, CI NMF I, reached its first close in May 2019 with USD 0.7bn in commitments from four cornerstone investors.

CIP was founded in 2012 by senior executives from the energy industry in cooperation with Pension Denmark.
<http://cipartners.dk/>