

STATEMENT OF CONSIDERATIONS

REQUEST BY PRINCIPLE POWER, INC. ("PRINCIPLE POWER") FOR AN ADVANCE WAIVER OF PATENT RIGHTS UNDER DOE AWARD NO. DE-EE0005987; W(A) 2013-006

Principle Power has requested a waiver of patent rights of the United States of America for all subject inventions arising from its participation under the above referenced award entitled "WindFloat Pacific Offshore Wind Demonstration Project."

The purpose of the award is to demonstrate an offshore wind facility consisting of five WindFloat foundations outfitted with 6-MW or greater turbines off the coast of Oregon. The work under the award has a specific focus on the reduction of the levelized cost of energy (LCOE) for offshore wind energy, through technology advancement and project risk mitigation. The award addresses a DOE goal to demonstrate that offshore wind can reach a local "hurdle" price, the price at which offshore wind will be able to compete with other regional power generation sources.

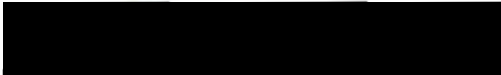
The total anticipated cost of the project is \$5,707,653, with Principle Power cost sharing \$1,707,653. This waiver is contingent upon Principle Power maintaining a cost sharing percentage of at least 30% during the course of the award. The period of performance for the award is February 15, 2013 through May 15, 2014.

As noted in the waiver petition, Principle Power is the owner of the WindFloat technology, which comprises a floating foundation system for offshore wind turbines. Principle Power has been developing and commercializing the WindFloat technology since 2008. Principle Power holds a leading commercial position in the field of floating foundations for offshore wind turbines, with the WindFloat technology being only one of two floating foundations deployed at full scale using a standard commercial wind turbine. To date, Principle Power has invested approximately \$30 million in the development of the WindFloat technology, resulting in an operating full-scale prototype. Granting this waiver will secure the intellectual property rights that Principle Power will need to fully commercialize the technology.

Principle Power has agreed that this waiver shall be subject to the march-in and preference for U.S. industry provisions, as well as the U.S. Government license, comparable to those set out in 35 U.S.C. 202-204. Further, Principle Power has agreed to the attached U.S. Competitiveness provision, paragraph (t). In brief, Principle Power has agreed that products embodying a waived invention or produced through the use of a waived invention will be manufactured substantially in the United States unless Principle Power can show to the satisfaction of the DOE that it is not commercially feasible to do so.

Referring to item 10 of the waiver petition, granting this waiver is anticipated to have a minimal effect on limiting competition. Numerous competitive technologies exist that are under development around the world, which reduce or eliminate any anticompetitive effects of granting the waiver.

Considering the foregoing (e.g., Principle Power's technical experience and competence and past and on-going investments in this technology), it is believed that awarding this waiver will provide Principle Power with the necessary incentive to invest its resources in commercializing the results of the award in a manner that will make the above technology available to the public in the shortest time. Therefore, upon evaluation of the waiver petition and in view of the objectives and considerations set forth in 10 CFR 784, all of which have been considered, it is recommended that the requested waiver be awarded.

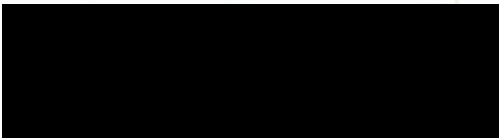


Julia Cook Moody
Deputy Chief Counsel for Intellectual Property
Golden Field Office

Date: 3/20/13

Based upon the foregoing Statement of Considerations and representations in the attached waiver petition, it is determined that the interests of the United States and the general public will be best served by a waiver of patent rights of the scope determined above, and therefore the waiver is awarded. This waiver shall not apply to any modification or extension of the award, where through such modification or extension, the purpose, scope, or cost of the award has been substantially altered.

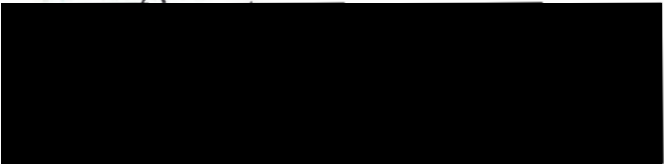
CONCURRENCE:



Jose R. Zayas
Program Manager
Wind & Water Power Technologies Office

Date: 5/14/2013

APPROVAL:



John P. Lucas
Assistant General Counsel for Technology
Transfer and Intellectual Property

Date: 5/17/2013

(t) U.S. COMPETITIVENESS

The Contractor agrees that any products embodying any waived invention or produced through the use of any waived invention will be manufactured substantially in the United States unless the Contractor can show to the satisfaction of the DOE that it is not commercially feasible to do so. In the event the DOE agrees to foreign manufacture, there will be a requirement that the Government's support of the technology be recognized in some appropriate manner, e.g., recoupment of the Government's investment, etc. The Contractor agrees that it will not license, assign or otherwise transfer any waived invention to any entity unless that entity agrees to these same requirements. Should the Contractor or other such entity receiving rights in the invention undergo a change in ownership amounting to a controlling interest, then the waiver, assignment, license, or other transfer of rights in the waived invention is suspended until approved in writing by the DOE.