Energy Extraction Partners LLC

Proposal response for RFP #111124 titled

"Finance, Construction, Operation and Maintenance of Facility to convert Municipal Solid Waste into an Alternative Form of Energy for the Rappahannock Regional Solid Waste Management Board (R-Board)"

Date: 1 November 2012
Submitted By: Energy Extraction Partners LLC (EEP)

Authorized Signature:

Joseph D. Yavorski

Joseph D. Yavorski
Managing Partner EEP LLC
President / CEO of Creative Energy Systems

"Each Offeror shall certify, upon signing a Bid or Proposal, that to the best of his knowledge no Stafford County official or employee having official responsibility for the procurement transaction, or member of his/her immediate family, has received or will receive any financial benefit of more than nominal or minimal value relating to the award of this Contract. If such a benefit has been received or will be received, this fact shall be disclosed with the Proposal or as soon thereafter as it appears that such a benefit will be received. Failure to disclose the information prescribed above may result in suspension or debarment, or rescission of the Contract made, or could affect payment pursuant to the terms of the Contract."

Energy Extraction Partner LLC certifies the above statement is true and accurate.

Joseph D. Yavorski

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FINANCE, CONSTRUCTION, OPERATION, AND MAINTENANCE OF FACILITY TO CONVERT MUNICIPAL SOLID WASTE INTO AN ALTERNATIVE FORM OF ENERGY FOR THE RAPPAHANNOCK REGIONAL SOLID WASTE MANAGEMENT BOARD

PROPOSAL
#111124

Item	Data
Company Name	**Energy Extraction Partner LLC**
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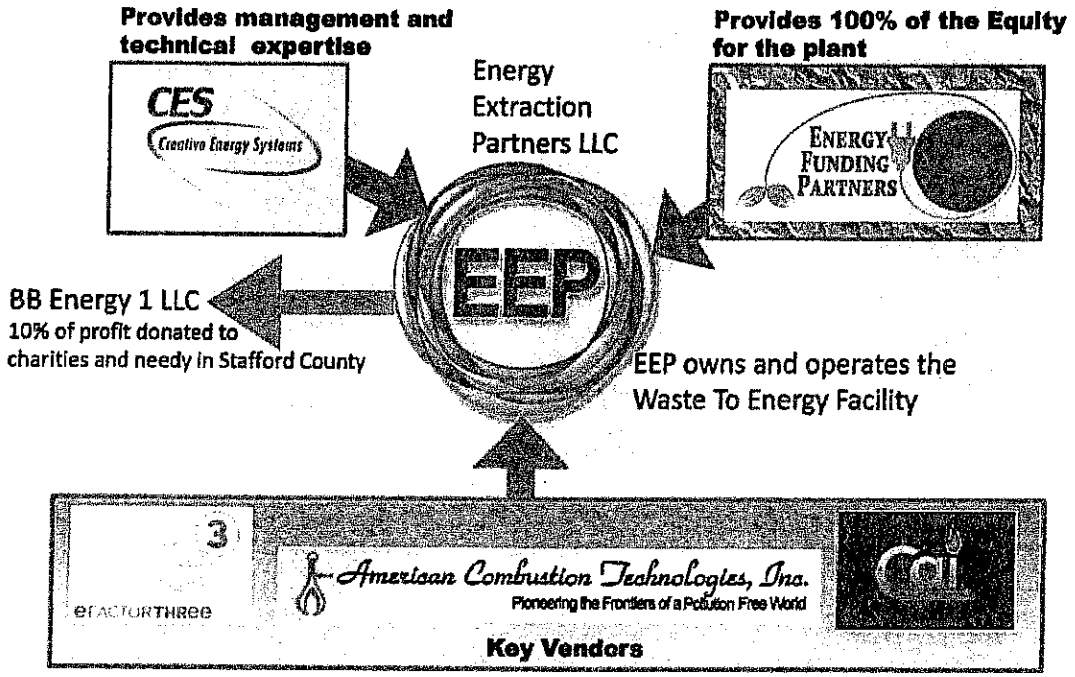
Name of Person Submitting Proposal	**Joseph D. Yavorski**
Title	**Managing Partner EEP LLC** **President / CEO of Creative Energy Systems** **Managing Partner Energy Funding Partner (majority owner of JV which owns EEP LLC)**
Signature	Joseph D. Yavorski
Date	**31 October 2012**

Executive Summary

Energy Extraction Partners LLC (EEP) is pleased to respond to Proposal 111124 titled *"FINANCE, CONSTRUCTION, OPERATION, AND MAINTENANCE OF FACILITY TO CONVERT MUNICIPAL SOLID WASTE INTO AN ALTERNATIVE FORM OF ENERGY FOR THE RAPPAHANNOCK REGIONAL SOLID WASTE MANAGEMENT BOARD"*. Our team is composed of innovators in the Waste to Energy and power industries with a long history of developing and operating MSW processing facilities for fuel and / or power production. Our core team is shown below. EEP LLC is a Joint Venture between our equity partner (EFP), the management company (CES) and the community charity (BB Energy 1). We also have a multi-facility relationship with our core equipment manufactures. We list them as vendors and not teammates solely because they have no ownership in our JV but we treat them as teammates and they are integral partner in all of our WtE plants that are scheduled to be built (ex. Morgan County, CO. and La Junta, CO. etc.).



One of our teammates, ACTI, is the manufacturer of our pyrolysis system. Their hardware meets or exceeds all Environmental Protection Agency (EPA) standards and was most recently analyzed and tested (November 2011) by the Department of Energy and the EPA for the Oneida Waste to Energy facility currently under construction in Wisconsin. Below is a link to the study:

http://www.eere.energy.gov/golden/ReadingRoom/NEPA/1862/Final_Environmental_Assessment.pdf

A significant benefit to the R-Board of the EEP approach is the use of proven technologies for Waste to Energy facilities but our approach will also result in decreased operating and maintenance costs for the landfill. The revenue from tip fees received by the landfill will remain the same or increase as the volume of MSW increases since EEP is not requesting any portion of the tip fees. The result of this is the landfill is transformed from a negative cash flow or break even entity to a substantially profitable County/City asset with reduced labor and operating costs for the future. The R-Board FY13 budget predicts a loss of

$76,000 dollars (excluding the final costs of the new cell). Once operational the EEP facility will result in annual profits of $900,000 - $1,000,000 to the R-Board. *Figure 1.0: Financial Benefit* shows the current R-Board FY13 budget and the effect on the landfill income statement once EEP is operational.

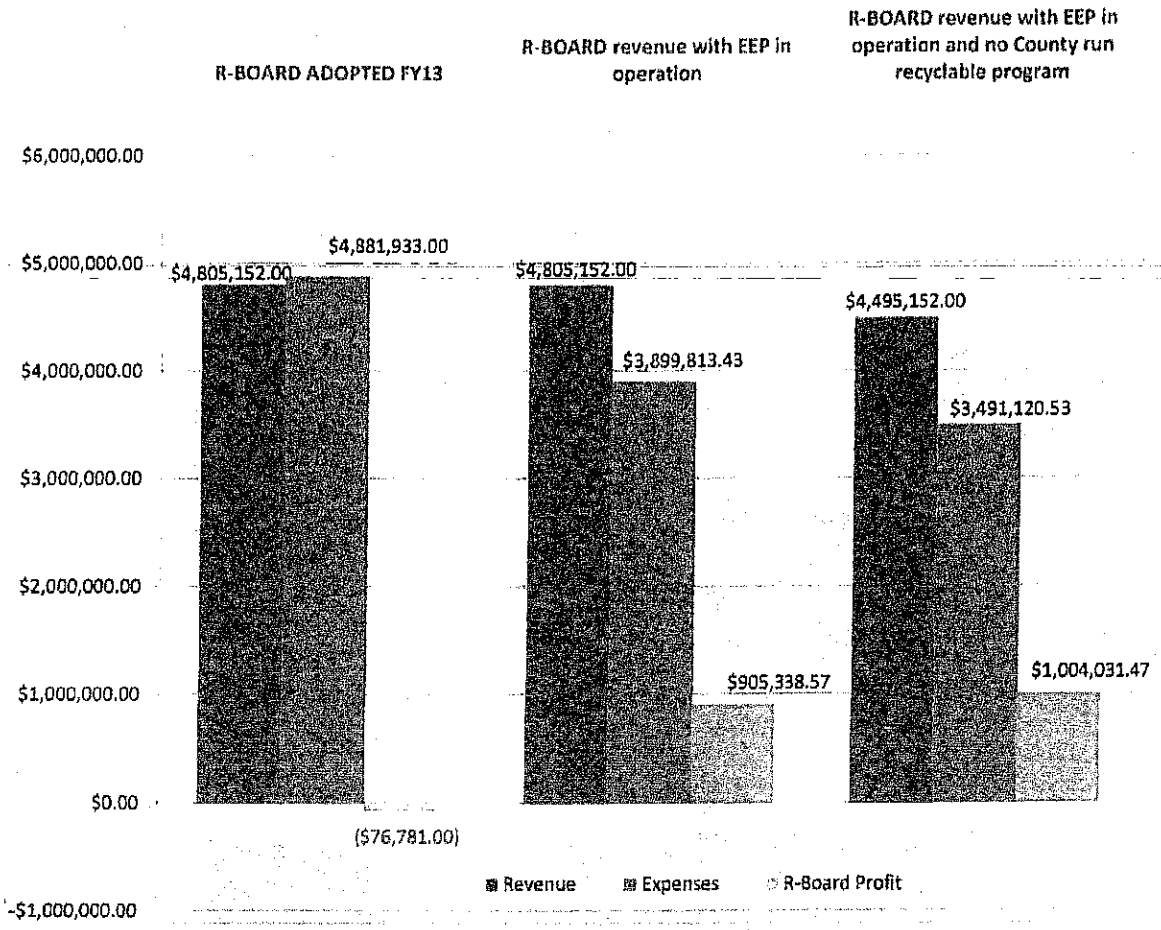


Figure 1.0: Financial Benefit

Table 1.0: EEP Team Features and Benefits to the R-Board

EEP proposes an innovative clean energy technical solution with substantial cost savings to the R-Board; no financial risks and creation of good paying local jobs for the community.

#	EEP Team Features	R-Board Benefits
1	100% funded by equity contribution. There is no financial risk to the R-Board.	There is no need to raise any capital. All funds are held within our Joint Venture awaiting contract award; at which time funds will be released to EEP. ***Ready day one to start.***
2	Fully Executed 15 MWe / 20 year Power Purchase Agreement with Dominion Power	Competing proposals without a fully executed PPA can anticipate at least a year delay to secure a purchaser of their product. ***Ready day one to start.***
3	EEP Technical Solution saves the R-Board over $1,000,000 ($1M) a year in expenses.	Reduced landfill operating expenses yields considerable savings. We fully document the savings in the sections below and show the FY13 budget released by the R-Board as well as the savings by line item in the budget in Appendix H: Adjusted Budget with EEP Operations

#	EEP Team Features	R-Board Benefits
		and Appendix I: Adjusted Budget with EEP Operations Performing Recyclables instead of the R-Board.
4	R-Board will continue to keep all tip fees from the landfill.	R-Board revenue will not decrease, 100% of all tip fees will continue to flow to the R-Board. Landfill expenses will drop significantly since only 10% of the waste stream will flow back into the landfill after processing by EEP, resulting in increased profits for the R-Board.
5	Schedule is in place pending contract award. Expected operational date is Dec 2013/January 2014	Since February of 2012, EEP has been working the Waste to Energy schedule to aim for a December 2013 / January 2014 operational start date. ***Ready day one to start.***
6	Creates 55 full time jobs with benefits ($3.28M annual payroll) for the County	Good paying full time jobs for the residents in the county with health care, 401K and many more benefits.
7	All MSW flows first to the EEP facility for use in the process. Extends the landfill life by about 7 times its current life expectancy. Future development of cell G could be out over 80 years.	All MSW will flow into our plant. We estimate that only 10% of the flow will not be usable (concrete, rock, PVC pipes, etc.) which will be returned to your landfill for burial.
8	10% of the profits from EEP are donated back into the county through local charities.	BB Energy I LLC owns 10% of EEP LLC. Its mission is to gather the needs of the Stafford County community and provide charitable giving, scholarships and support. Stafford County citizens will help serve on this committee. A "Pay it Forward" concept.
9	Full waste management which includes handling of household hazmat (batteries, aerosol cans etc.) and recycling program created at no cost to the county.	All municipal solid waste received by the facility will be processed to identify any special wastes concealed in the incoming waste stream, including any hazardous wastes, universal wastes, as well as recyclable materials. In addition, we can institute a single point recycling program which would save the county approximately $100,000. The R-Board will have all the statistics to show the State how effectively this approach works. Stafford County can go from 55% recyclable program to 100%.
10	Over $4,000,000 of site improvements will be made to the landfill site.	EEP will be developing buildings on the landfill site. The buildings themselves will be valued at over $4M in site improvements.

Energy Extraction Partners LLC looks forward to working with the R-Board to quickly move this project into development and operation. EEP has begun discussions with DEQ about the permitting process. We have a fully executed PPA with Dominion Power on the power production side and supplemental agreements with various tire vendors in case the landfill waste stream falls below the needed threshold. This will help ensure EEP can guarantee to Dominion Power that we will continually produce 15 MWe of power.

EEP's technical solution provides an innovative, clean energy and cost effective solution to the R-Board's landfill challenges. Our team of experienced industry leaders in thermal gasification technologies provides the needed expertise to effectively deliver a world class Waste to Energy facility. We are a fully funded, established group of personnel, with essential reach back to industry experts to complete the facility on time within budget and restore the R-Board to profitability.

1. Introduction

In our proposal the Rappahannock Regional Solid Waste Management Board (R-BOARD) will see that our team exceeds all requirements listed in RFP #111124. Our proposal response addresses the R-Board requirements that each section lists. We also provide a cross reference in *Appendix J: Cross Reference Abstract* that lists the requirements and the section that addresses that requirement so that the R-Board evaluators can easily see where the requirement is addressed. *Appendix K: Warrants and Statements* provides a cross reference of all Warrants and Statements with our team's response.

1.1 Teammates and Vendors

SOP	III. 1.a	Years in Business
SOP	III. 1.b	Names of the officers and Directors
SOP	III. 1.e	Any Joint Ventures indicate all parties involved to include the same information

Energy Extraction Partners LLC (EEP) was formed on October 5th 2010 in the state of Wyoming. EEP is registered to do business in the state of Virginia (See *Appendix D: Proof of Authority to Transact Business in Virginia*). EEP is a Joint Venture between the companies as shown in *Figure 1.1-1: Joint Venture Structure*. Mr. Yavorski is the CEO/President of Creative Energy Systems and also a managing partner in BB Energy 1 and Energy Funding Partners. This provides uniformity and single focus ensuring a profitable and focused Joint Venture management team to Energy Extraction Partners LLC. Each of our Waste to Energy sites (ex. La Junta, CO under Energy Recovery Specialist LLC) has the exact same Joint Venture structure.

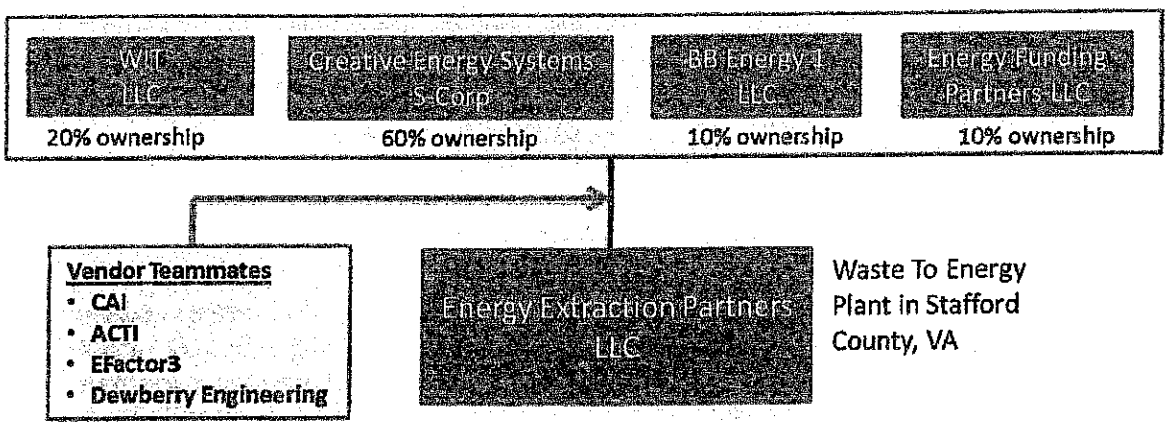


Figure 1.1-1: Joint Venture Structure

Energy Funding Partners LLC (formed in the state of Wyoming on January 25, 2012) and WIT LLC (formed in the state of Colorado on January 3, 2012) provide the equity funding for each Waste to Energy plant that is built. BB Energy 1 LLC (formed in the state of Delaware on November 23, 2011) serves as the charity arm of EEP. Its role is to receive 10% of the profit from EEP operations and disburse it to the Stafford community via charitable contributions. Examples are college scholarships, local schools, children in need and other items that Stafford

County residents, the R-Board and BB Energy 1 LLC identify. Creative Energy Systems (formed in the state of Nevada on April 3rd, 2006) provides all the technical oversight and management of EEP. *Table 1.1-1: Management Decision Makers* shows the managing partners with decision authority for the Joint Venture.

Table 1.1-1: Management Decision Makers

Person	CES	EEP	WTI	BB Energy	Energy Extraction Partners
Joe Yavorski	President / CEO / BOD	Managing Partner / BOD		Managing Partner	President / BOD
Kent Berner	COO / Secretary / BOD	Managing Partner / BOD		Managing Partner	COO / Secretary / BOD
Jeff Weiss	BOD	Managing Partner / BOD	Managing Partner		BOD

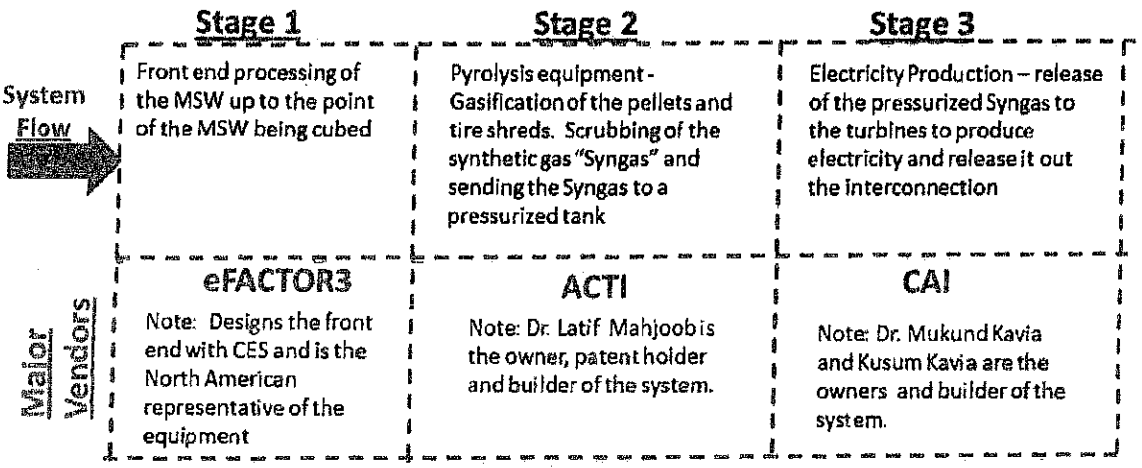


Figure 1.1-2: Vendor Relationships

Our team is also composed of our vendor group who are an integral part of all of our WtE plants. The vendor group consists of the manufacturers of the equipment that our facilities use to handle and process MSW. Of the utmost importance is the agreement with our vendors that their contracts contain performance guarantees that attest to their equipment's veracity and stated specifications. *Figure 1.1-2: Vendor Relationships* shows where each vendor's area of expertise exists from a high level overview. EEP will be engaging Dewberry engineering firm (www.dewberry.com) based in Fairfax, VA. They will provide the engineering oversight and will work with a local Stafford County general contractor to build the facility.

Stage 1 Vendor

eFACTOR3 has been selected to help design a major portion of our front end processing system. They are a recognized vendor and North American distributor for all of our shredders and conveyor belts. They are located in North Carolina (http://efactor3.com/)

Stage 2 Vendor

American Combustion Technologies Inc. (ACTI) makes the patented technology for the pyrolysis units we are using in the EEP facility. Their equipment is used in various countries,

including the United States. The Department of Energy and EPA performed an evaluation of ACTI's equipment which will be used at the Oneida Reservation in Wisconsin. We are using the same equipment for the Stafford facility. It meets or exceeds all EPA regulations. We have provided the link to the study for your benefit.
(http://www.eere.energy.gov/golden/ReadingRoom/NEPA/1862/Final_Environmental_Assessment.pdf)

Stage 3 Vendor
Combustion Associates Incorporated (CAI) has over 20 years of experience building turbines and other products for the US military. They have won numerous Federal, State and International awards:

- **Recipient of 2011 Presidential "E" Award for Excellence in Exporting**
  Presented by: U.S. Department of Commerce, Washington, D.C.
- **Recipient of 2009 Spirit of the Entrepreneur Award for Technology**
  Presented by: Center for Entrepreneurship, California State University, San Bernardino, CA
- **Recipient of 2009 Exporter of the Year Award for Sub-Saharan Africa**
  Presented by: U.S. Export Import Bank
- **Recipient of 2008 National Minority Person of the Year Award**
  Presented by: U.S. Small Business Administration
- **Recipient of 2007 Vendor Excellence Award**
  Presented by: Defense Logistics Agency, U.S. Department of Defense
- **Recipient of 2006 National, Regional and District Exporter of the Year Awards**
  Presented by: U.S. Dept. of Commerce and U.S. Small Business Administration
- **Recipient of 2005 Minority Manufacturer of the Year Award**
  Presented by: Inland Empire MBDC, U.S. Department of Commerce

CAI has been reviewed by General Electric on their process and procedures in order to become a supplier for General Electric. (http://www.cai3.com/index.html). This is important since our site will be using GE based Turbine engines.

1.2 Teammates and Vendor Personnel

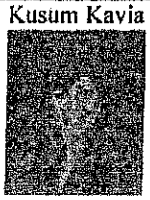
SOP	III. 1.b	Names of the officers and Directors
SOP	III. 1.e	Any Joint Ventures indicate all parties involved to include the same information

Section 1.1: Teammates and Vendors provided a high level overview of our Joint Venture and the interrelationships. This section provides the personnel background of our team and heir qualifications. *Table 1.2-1: Personnel Qualifications* provides a brief bio on the officers and outlines the key decision authority. Please see *Figure 1.1-1: Joint Venture Structure* for company relationships.

All members of our team have experience building and managing large projects. We bring significant immense experience in developing, building and then taking projects to operational status and running those operational programs. We also have an Environmental Professional Engineer (PE License) on our team to ensure that environmental readiness and monitoring is built in at the design phase rather than as an afterthought.

Table 1.2-1: Personnel Qualifications

Person / Company Positions	Bio
Joe Yavorski  • President / CEO of CES • Managing Partner of EFP • Managing Partner of BB Energy I	Mr. Yavorski has over 27 years of experience in the technology and engineering business. He started his career working for the Central Intelligence Agency (CIA) as a software engineer and later moved to Lockheed Martin Corp. where he worked for 13 years and helped manage programs valued at over $1 billion total dollars. Mr. Yavorski founded Innovative Technology Systems – a defense contractor, in February 2003 and grew the company to 60 people and $10M in revenue before selling the company in December 2010 to A-T Solutions. In 2006 Mr. Yavorski was one of the founding partners of Creative Energy Systems (CES), a firm established to explore alternative energy opportunities and businesses. He has been a guest speaker at Intelligence Community environmental conferences on Waste to Energy issues and projects. Mr. Yavorski performed Strategic Energy Management planning for classified government facilities. CES is currently in various stages (in addition to Stafford County) to build Waste to Energy facilities in La Junta Colorado (Otero County 10 MWe) and Fort Morgan Colorado (Morgan County 15 MWe).
Jeff Weiss  • Managing Partner EFP • Managing Partner WIT	Mr. Weiss has over 35 years in the construction and finance industries. He has managed building and construction projects in Texas and Colorado. Over the past eight years Mr. Weiss has focused on alternative financing of projects of energy related projects. Mr. Weiss is the majority owner of WIT LLC and a managing partner along with Mr. Yavorski and Mr. Berner in Energy Funding Partners which is providing the equity to build the Stafford Waste to Energy Plant.
Kent Berner  • COO of CES • Managing Partner of EFP • Managing Partner of BB Energy I	Mr. Berner has over 30 years of technology and business experience across the Intelligence, Department of Defense and Energy communities. Mr. Berner was one of the founding partners of Creative Energy Systems (CES), a firm established to explore alternative energy opportunities and businesses. Mr. Berner founded Innovative Technology Systems, an Engineering firm supporting the US Intelligence Community which was purchased by A-T Solutions in 2010. Most recently Mr. Berner was Group President of the Intelligence business unit within A-TS Solutions. Mr. Berner's 30+ year career included senior level positions with General Dynamics, Creative Technology Inc., Quality Systems Inc. and Booz Allen & Hamilton.
Rod Flores  • Sr. Systems Engineer of CES • Partner of BB Energy I	Mr. Flores is a Sr. Systems Engineer at CES. He is a retired 35+ year railroad engineer who designed and built tracks and facilities across the western states. Mr. Flores has worked with eFACTOR3 to design the front end processing (Stage 1) of our system. Mr. Flores has worked at CES for over 5 years in the design and testing of our Molecular Separator technology. This product will be used in the syngas cleanup. In addition he is the lead designer on all the MSW preparation (Stage 1). He has personally toured the operating plants containing all the equipment we will be using at the EEP facility.
Ray Miskines  • Sr Environmental Engineer of CES	Mr. Miskines has over 24 years environmental engineering experience. His skills include: • Environmental Quality Management; • Environmental Planning; • Solid, Hazardous and Universal Waste Management; • Storm Water, Air Emissions and Wastewater Discharge Permitting; • Site Assessments, Investigations, and Characterizations; • Site Remediation and Restoration; and,

• PE license	• Landfill / Impoundment Design and Construction. He has been involved in numerous environmental baseline studies, and environmental assessments. He has prepared a variety of site-specific environmental plans, including Spill Prevention Countermeasure and Control (SPCC) Plans, Pollution Prevention Plans (P2P), Hazardous Materials Planning (HMP), and Stormwater Pollution Prevention (SWPP) Plans. Mr. Miskines has also performed system safety assessments, mishap and hazards analysis, and safety program planning. His work experience includes consulting for major DoD contractors, commercial clients, as well as utilities and power generation companies.
Travis Hollingsworth  • Sr Systems Engineer of CES • Navy Nuclear engineer	Mr. Hollingsworth has over 14 years of engineering experience in a variety of disciplines. He is Naval Nuclear trained and spent six years working on nuclear submarines as a reactor operator/technician. From the USN Mr. Hollingsworth went to work for IBM to manage and maintain over twenty vertical diffusion furnaces providing technical support for automated controls systems, electrical actuators, process control hardware and software. In 2006 he joined ITS and spent the next seven years supporting various government contracts. Mr. Hollingsworth assisted in the development of a small portable Liquid Metal Fast Breeder Reactor (LMFBR) in conjunction with a CRADA with Sandia National Labs, Los Alamos National Labs and Department of Energy. Additional efforts included the development of the electro-mechanical input devices for various automated SCADA systems supporting Nuclear Reactors, Coal Gasification Plants, Ethanol Plants, and Utilities. Other tasks included assistance to the automation efforts for various power and thermal systems for the Falcon Launch Vehicle (DARPA program). He is a Sr. Systems Engineer for CES and has worked with CAI to develop the pyrolysis system as well as the power production and heat recovery systems (Stage 2 and Stage 3).
Kusum Kavia  • **Executive Vice President of CAI**	Ms. Kusum Kavia is the driving operations force behind Combustion Associates, Inc (CAI), founded in 1989. As Executive Vice President, she draws on her 25+ years' experience in operations and management, as well as a vast store of knowledge of international business and finance to position CAI as a leading exporter of U.S. technology in power generation. The success of this effort has been, and continues to be, recognized in accolades from various levels within the U.S. government and from professional business associations. With her vision set on expanding CAI's role to provide power solutions that are cost-effective, with special emphasis on emerging nations, she continues to lead CAI forward to new markets and opportunities. www.cai3.com
Dr. Latif Mahjoob **President ACTI**	Dr. Mahjoob has 31 years of experience in the combustion and industrial boiler industry. Dr. Mahjoob has also obtained a PhD MS in Mechanical / Chemical and Industrial Engineering from Clarkson University in Potsdam, New York. As President of American Combustion Technologies, Inc. (ACTI), he focuses on designing and marketing Super Low Emission Burners that meet standards below 9 PPM NOx; which is, so far, the best technology in the United States. At ACTI, Dr. Mahjoob also works on the design and implementation of waste conversion systems to convert rubber, plastics, sludge, and municipal solid waste into liquid or gaseous fuels. Dr. Mahjoob also has seven published works discussing various topics on combustion, convection, and low emission burners.

1.3 References, Relevant Projects and Financial Background

Section 1.1: Teammates and Vendors provided the high level overview of our Joint Venture and the interrelationships. *Section 1.2 Teammates and Vendor Personnel* provided you the personnel background of our team. In this section we will discuss relevant projects and references.

1.3.1 Financial Information

SOP	III. 1.d	Financial Information

Energy Extraction Partners LLC ("EEP") is a newly formed entity to own the Waste-to-Energy ("WtE") facility in Stafford County VA. Each of our WtE facilities is organized in the same manner with a separate limited liability company that owns the WtE facility. This allows legal protection so that each of the WtE facilities is independent of any other WtE facility. There is a common management company to manage and operate each of the WtE facilities. As such, since EEP is a development stage company, there are not yet any operations or significant assets until Energy Funding Partners LLC ("EFP") provides the equity capital.

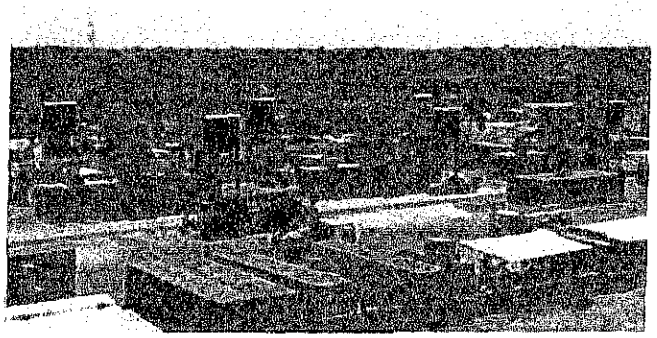
Upon EEP receiving a signed landfill contract agreement, EFP will make available a total of $67M in capital. $60M to build the facility and $7M in management reserve to cover unforeseen circumstances. EFP has sufficient capital to build 5 facilities with a total capacity of 90 MWe. EFP's funds are generated from earnings on liquid investments which are currently under contract with internationally recognized financial institutions and these earnings will be used to provide the capital to EEP. The earnings have been appropriately allocated to exclusively develop Waste-to-Energy projects.

1.3.2 MSW Projects and Relevant Projects

SOP	III. 1.c	Other MSW Projects or relevant projects

Our team has a number of projects that are related to all aspects of a Waste to Energy project. CES has a Molecular Separator product (United States Letters Patent No. US6935513B2) that is designed to scrub gases in a more highly efficient manner than current commercial methods. We developed and refined this product during an IRAD with Lockheed Martin in 2008 and 2009. We own the exclusive rights to the license. In addition, CES has performed engineering studies and analysis on power systems for several customers in the DoD and National Intelligence communities. These studies were performed in a classified environment and CES employees possess security clearances which allow us to serve both the commercial and classified customers.

CAI has built multiple power generation facilities to include an 80 MWe production facility in Benin, Africa. In 2007 CAI was awarded a "turn-key" 80 MWe Dual-Fuel Gas Turbine Power Plant project consisting of Engineering, Procurement, Construction, Training, Start-Up and Commissioning including design, construction and integration of 161 kva switchyard, substation, water treatment system, power distribution and transmission networks. CAI was responsible for all engineering disciplines including: Civil, Structural, Mechanical, Electrical, Controls and High/Low Voltage Distribution engineering. CAI's project in Benin is technologically impressive, and is a major contributor towards meeting this region's mushrooming electricity needs.



80 MWe Benin, Africa

ACTI has their pyrolysis units operating at the Los Angeles waste and sewage facility. On this site they take sewage and gasify it to create a diesel base fuel. The process has been

successful and they are now expanding on the site. The resultant fuel product is being sold to the US Navy. In addition, their pyrolysis unit will be installed at the Oneida Waste to Energy plant in Wisconsin (the facility for which the previously referenced Environmental Assessment study was performed).

1.3.3 References

EC	IV.6	References, including current contracts.

Energy Extraction Partners LLC is a newly created entity to manage, operate and run the WtE facility in Stafford. As such the references to highlight our experiences and installation sites are provided for the Joint Venture (JV) companies who own EEP and our vendor team. These references are listed in *Appendix B: Reference List.*

2. Technical Overview

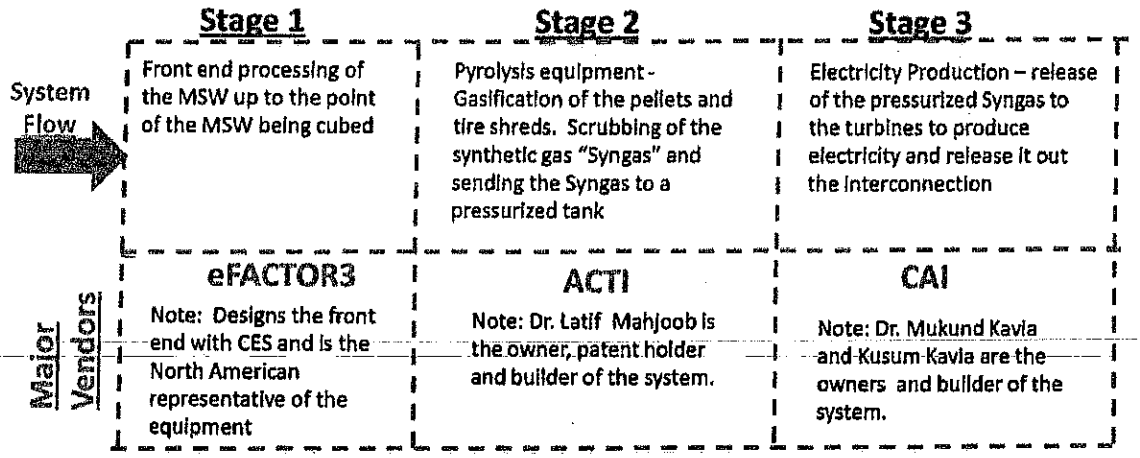


Figure 1.1-2: Vendor Relationships

This section will describe the processes that will be used at the EEP site and the equipment manufacturers that have been selected. *Appendix F: Technical Partners* lists the equipment manufacturers plus their websites so that the reviewers are able to see the vendors that CES down selected via trade studies and analysis over the last three years in creating the plant operational design. *Appendix G: Stafford Facility Layout* shows the overall plant design layout.

The plant is divided into three main stages as shown in *Figure 1.1-2: Vendor Relationships* which was first shown in *Section 1.1 Teammates and Vendors*. Stage 1 is all the processing of the MSW up to and including the briquetting of the MSW for storage or ingestion into the pyrolysis unit. Stage 2 is the operation of the pyrolysis unit and the cleaning and scrubbing of the syngas. This stage ends when the syngas is placed into a pressurized storage tank. Stage 3 is the generation of electricity and release of the power at the interconnection point and onto the grid.

2.1 System Overview

SOP	III.2	Explanation of the proposed Technology. Include any other contracts with local governments within the United States that use this technology. Provide copies of any contracts with an explanation of the end market product and specific technology
SOP	III.9	A statement as to the anticipated noise level from the operation and whether any odors from the operation will ensue and how will these issues be addressed
SOP	III.10	Statement on the size of property required
EC	IV.4	The environmental, noise, and odor and other issues that are associated with the technology and how they are addressed.

Our system requires four buildings, each approximately 150 feet by 300 feet in size. The entire process will be housed within these buildings. EEP requires a site with a minimum of 5 acres in order for the facilities to sit efficiently and still comfortably accommodate truck traffic. We have visited the landfill site and identified the area where the tires, old refrigerators etc. are stored as the optimal facility location. The terrain and location relative to the scale house are ideal; therefore landfill truck traffic will not need to be rerouted.

Due to the fact that our operations are indoors and the buildings are built on concrete pads, including the dumping of the MSW, the effect of blowing trash and environmental issues will be significantly mitigated. The location of the facility is a considerable distance from the main road thereby keeping the facility out of the site line for traffic on Eskimo Hill Road. The landfill property also provides an important privacy buffer around our facility. Based on the location of the buildings in approximation to the road, the noise level will be minimized and nonexistent to any residence located around the landfill. EEP expects the noise levels within the plant to be well within the OSHA guidelines. The gas turbines produce sounds of less than 120 decibels.

One item given careful consideration in our process is the odor of the waste stream that will be brought into the facility. All waste delivered to the plant will be processed that day to minimize vermin and odor issues. Once processed into cubes, the fuel is stored indoors and has very little odor. In addition, we designed the factory layout to allow the turbines, which require significant air intake, to pull air through both the MSW and pyrolysis buildings thereby creating a negative pressure air flow. This process will actually pull air in from outside of the facility and will only vent what goes through our stacks from the Stage 2 and Stage 3 processes. Odor control devices will be installed as necessary to control any unanticipated issues.

Figure 2.1: System Overview and Process Flow highlights the flow of MSW and tires through our system. The orange color (Landfill MSW and Scrap Tires) are inputs to the process. Stage 1 process is colored in yellow; Stage 2 is colored in light blue and stage 3 is colored light green. Subsequent sections discuss each of these stages in greater detail.

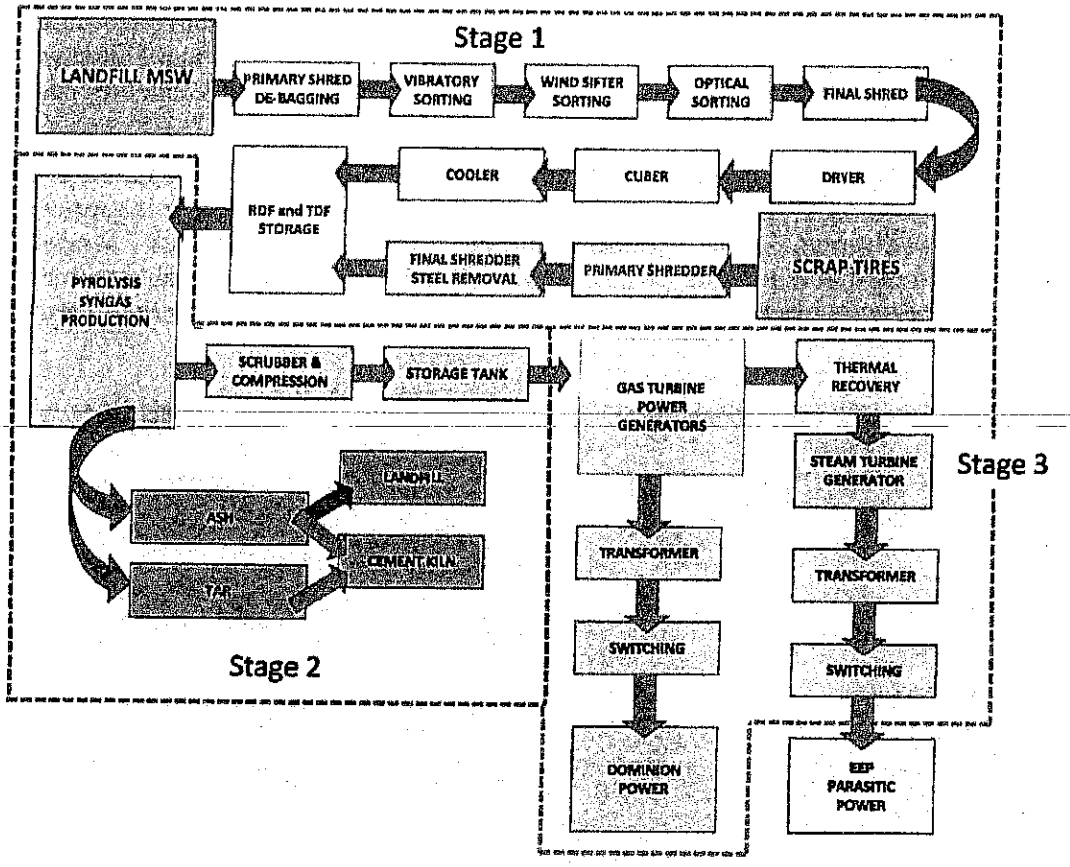
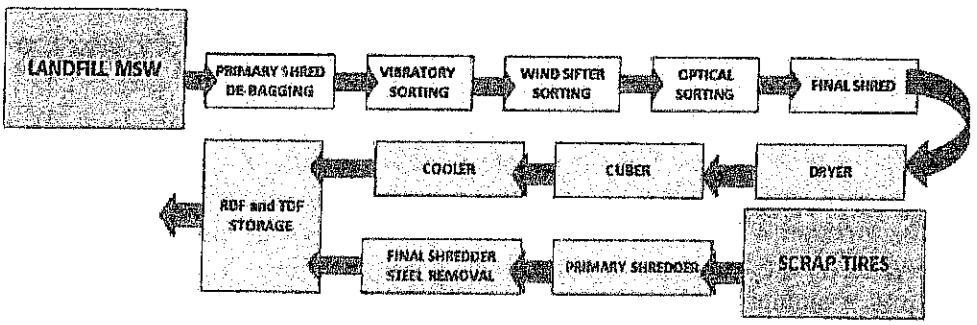


Figure 2.1: System Overview and Process Flow

2.2 Stage 1 Process

SOP	III.2	Explanation of the proposed Technology. Include any other contracts with local governments within the United States that use this technology. Provide copies of any contracts with an explanation of the end market product and specific technology



MSW arrives at our facility after having been weighed on the R-Board approved scales operated by landfill employees. All invoice creation, billing and collection of tip fees still reside under the R-Board control. EEP assumes that when a garbage truck arrives it has the full legal authority to unload at our facility. If EEP recruits extra waste stream haulers for the facility that

currently do not have a delivery contract with the R-Board, the tip fee will be split between EEP and the R-Board based on the landfill contract that will be signed. In this, case the R-Board will have the responsibility to collect tip fees and pass the agreed upon portion onto EEP at the end of each month.

Figure 2.2-1: Stage 1 Building Layout shows a graphic of our building setup for Stage 1. This complements the Stage 1 process flow graphic above. Once the waste stream is received, the following steps will occur. (Note: we included Step 1 in case a remote baler / wrapper system is included in the future to accumulate more MSW). EEP is very comfortable with the tire source we have located but will always look at ways to increase revenue for both the R-Board and EEP.

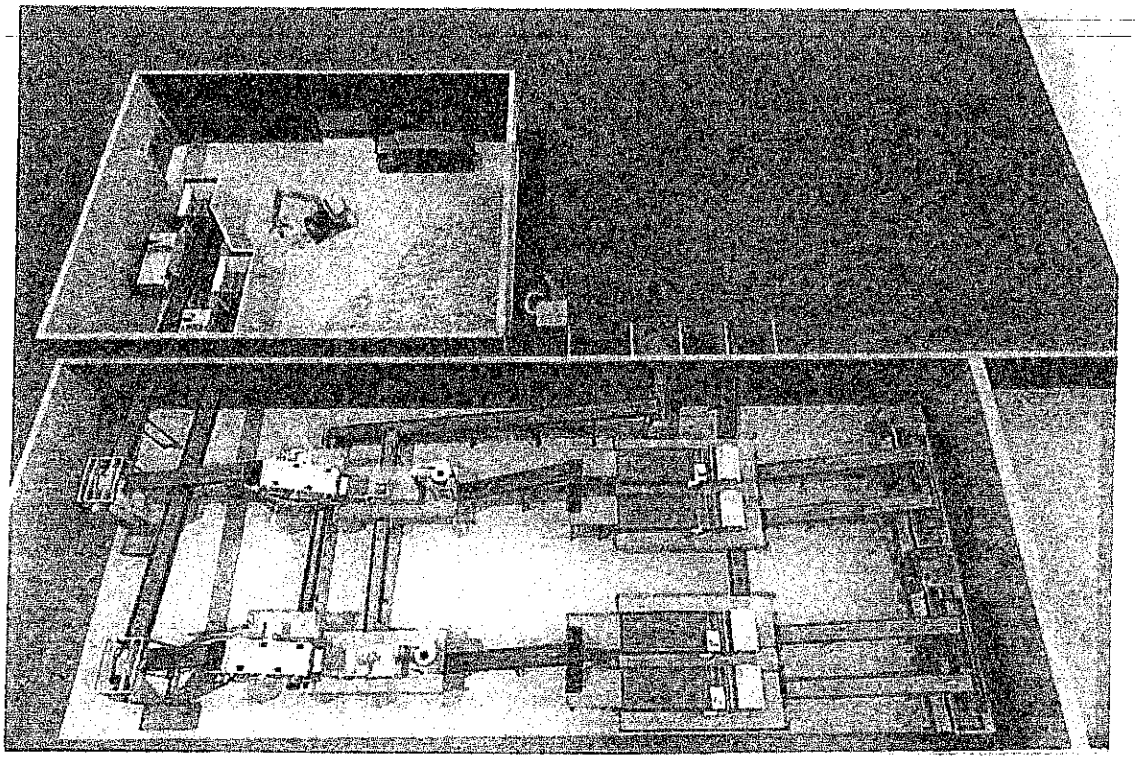


Figure 2.2-1: Stage 1 Building Layout

All pictures and vendor identification is shown in *Appendix F: Technical Partners* and is marked proprietary information.

1. **Baler and wrapper** – For remote collection facilities a baler and wrapper will be used to facilitate easier handling at remote transfer stations, if required. The large items such as washers, refrigerator, or propane tanks are presorted out by hand. The remaining material will then be bailed. Our vendor product is designed to handle a wide range of recyclable materials, including but not limited to PET, OCC, ONP, high grades, aluminum and much more. Once bailed, the refuse will then be wrapped for debris prevention during transport. The fixed Rotowrap units are designed to be installed directly behind the baler. When the bale is ejected and pushed towards the Rotowrap, the automatic bale wrapping cycle starts, with the bale transported into the wrapper between the two oscillating rollers. These rollers lift the bale into the

wrapping position, and then rotate it along its horizontal axis during the wrapping procedure. At the same time, the Rotowrap's wrapping arm assembly – which is fitted with two 750mm wide rolls of film – rotates around the bale, applying the film.

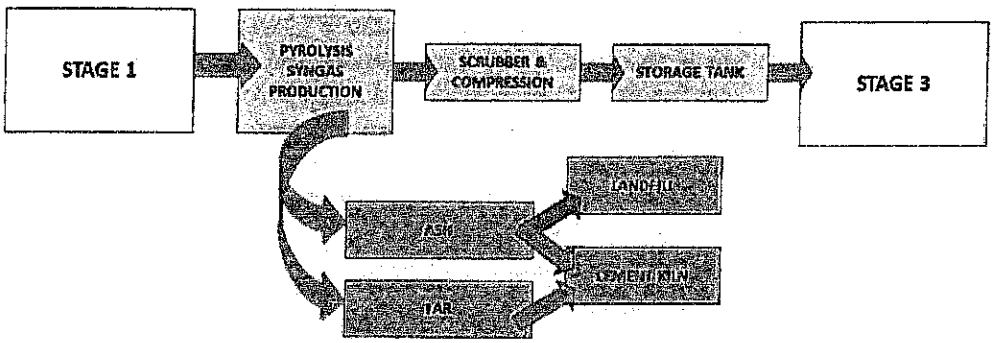
2. **Primary shredding** – Primary shredding takes place to reduce the waste stream to a uniform size of approximately 8 inches. This allows the material to be easily sorted and conveyed to the rest of the system. The stationary shredder is designed to meet the special needs of plants in which the incoming material is extremely varied in both size and composition, and may also contain unpredictable components. The combination of a large cutting table and a twin-shaft shredding system makes it possible to shred almost any kind of material and ensures there are no problems with bridging. This plant is designed with two of these shredders in place for redundancy as well as capacity for expansion if desired. Each has a capacity of 20-40 tons per hour.
3. **Sorting stations, Shaker tables, and optical sorting-** After primary shredding, the waste stream is transported via conveyor to a screening station also known as a shaker table. The purpose of the screening station is to remove soil and small pieces of glass or similar material from the waste stream. The SPALECK potential recyclable screen is a circular vibrating screen that is geared with an AC motor. From the screen, the waste stream is conveyed to optical/manual sorting stations where the non-combustible materials and recyclables are sorted from the main waste stream. Optical sorting would utilize NIR technology in place of the manual sorting station. The operating principle of NIR optical sorting units (Optical Sorter) is quite simple: materials on a conveyor belt travel at high speed under a powerful light source. Part of the light's wavelengths is absorbed by the materials while the other is reflected and captured by lenses. These lenses transmit the signal to a spectrometer and/or camera, which associates each reading with a specific curve since each material has its own signature. Different types of materials, such as plastics (PET, HDPE, PVC, PP, PS, and others) and fibers can be detected. When the desired material passes under the lenses, according to the library selected by the computer, a command is sent to the corresponding shutter valves that blow the material into the correct chute.
4. **Secondary shredding** – Secondary or fine shredding follows the sorting stations. The purpose of this stage of shredding is to reduce the remaining waste stream to a uniform 1-2 inch cut size. Four of these units will be installed to accommodate for system throughput. Our vendor selection is the ideal secondary shredding solution for a multi-stage plant. Impressive outputs can be achieved due to its high rotor speed.
5. **Dryer and Cubing** – From the secondary shredding the waste stream is directed to a drying unit to achieve a relative moisture content to the level required by the cubing equipment. From the dryer the waste is conveyed to 5 cubing units. The cubing units can handle 5 tons per hour each. The cubing units are fitted with heated dies and compress the waste stream into roughly one inch by two inch cubes with a relative density of 30 lbs. per cubic foot. The cubes are then fed directly to the pyrolysis units or cooled and stored for future use. By cubing the waste stream, a more uniform fuel is produced and storage of fuel is simplified.
6. **Tire handling and shredding-** Tires are utilized by the plant separately in shredded form and blended with cubed MSW to increase the caloric value of the fuel. First, the tires are shredded to a 6-8 inch strip utilizing a tire shredding unit. From there, the shreds are fed to a steel liberation unit which further shreds the tires into smaller than

2 inch chips and removes nearly all of the steel from the chips. The steel is then recycled and the chips are blended with the feed stock.

7. **Conveying systems** - Conveying systems are utilized throughout the entire plant to move material to and from each stage of the process. They are specifically designed for this purpose and driven by AC motors.
8. **Recyclable / Non-combustibles discussion** – The sorting of non-combustibles and recyclables is performed during the sorting process. Recyclables will be collected and sent out to the applicable facilities to be recycled and non-combustibles shall be returned to the landfill for disposal.
9. **Overhead crane / end loaders** – An overhead crane will be installed to move material into the primary shredder. This allows the operator maximum visibility into the shredder to prevent undesired material from entering the system. As a backup, the primary shredder can be fed with an end loader. End loaders will also be utilized to move materials throughout the plant.

2.3 Stage 2 Process

SOP	III.2	Explanation of the proposed Technology. Include any other contracts with local governments within the United States that use this technology. Provide copies of any contracts with an explanation of the end market product and specific technology



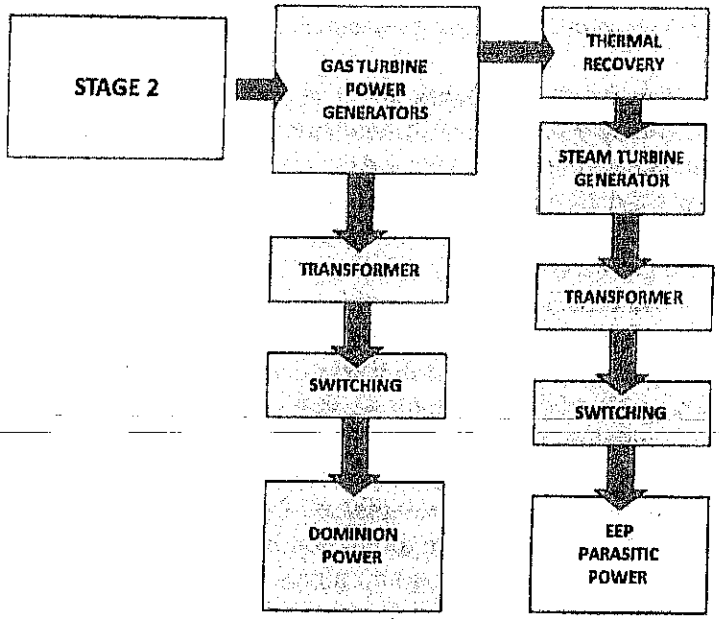
1. **Pyrolysis units discussion** – Pyrolysis units are heated under controlled conditions to cause the fuel pellets to decompose through pyrolysis and produce flammable synthetic gas (syngas) consisting primarily of hydrogen, carbon monoxide, and hydrocarbons such as methane, ethane, and propane. The waste moves via screw auger through a pair of air lock valves and into the pyrolytic converter (or pyrolysis unit). The air locks are necessary to keep air out because the objective of pyrolysis is to decompose organic material at an elevated temperature with no, or minimal, oxygen. The outlet of the converter is similarly equipped with two air lock valves. The waste material, continually moved by the screw auger from the inlet to the outlet, would stay in the converter for 60 to 75 minutes, where it is subjected to temperatures ranging from 850° to 1,400°F. Gases formed during decomposition of the organic material are pulled out of the converter with a blower, while solid residues are dropped into a discharge bin. The unit is equipped with low NOx burners which are initially fired by propane or diesel fuel to get the unit up to the desired operating temperature. Once at temperature they are fed with part of the syngas produced by the unit. This will require a 15% parasitic load. As such we will lose 15% of our syngas output to continue having the system run on our own produced

gas. There will be three units operating to achieve capacity and redundancy to produce the syngas.

2. **Mixing of fuel and capacities discussion** – The current plant design is such that all waste processing can be performed within two shifts (16hrs) and the pyrolysis units and power production units will operate 24 hrs a day. The waste processing portion is rated to produce 400 tons per day of cubed fuel or 25 tons per hour. The pyrolysis units will be fed with a blend of tire chips at approximately 30% to 70% with the cubed waste. The purpose of the tire chip blend is both to eliminate scrap tire inventories as well as raise the caloric value of the produced syngas with a lower total volume of processed waste. The cubing and storing of the fuel allows the plant to operate continuously as well as provide supplement fuel on days when the waste volume is low. The maximum volume of waste that can be processed is 600 tons per day; the plant can operate on as little as 100 tons per day in a reduced output capacity.
3. **Cleaning and storage of producer gas** – It should be noted here that the system final design for this section requires exact samples of the fuel source to be processed and analyzed for composition. The following discussion is generic for a similar plant. Gasses pulled from the pyrolytic converter first go through a venturi scrubber or separator. This step washes out carbon particles that may have traveled with the gas from the converter and removes some of the condensable gases. It also begins bringing the temperature of the gas down. At steady-state conditions, water used in the scrubber would be that extracted from the waste as it heated in the pyrolysis units. From the venturi scrubber, the gas goes through a condenser to remove the rest of the condensable gases, which consist primarily of steam/water, but which could also include some hydrocarbons. The non-condensable gas would then go through a demister to ensure no liquid remained in the stream. Fresh water is used in the process to provide non-contact cooling of various process components. There will also be a sulfur removal system in place to remove the sulfur from the processing of scrap tires. From the demister, the blower moves the syngas into a storage tank with an intermediate pressure level, and a compressor is then used to move the gas into a high-pressure storage tank. Gas in the storage tanks can be used to supply the burner in the pyrolytic converter or sent to an internal combustion engine generator.
4. **Ash collection and handling** – Ash will be produced as well as some oil and water from the pyrotic conversion of the waste stream. The ash will be collected in containers and it is anticipated that it will be transferred to a cement processing plant for use in their kiln. Oil will be collected in containers and disposed of within regulations of local guidelines or resold to a refinery. Water will be cleaned by RO (Reverse Osmosis) units and either reused in the system or disposed of within regulations of the local guidelines.

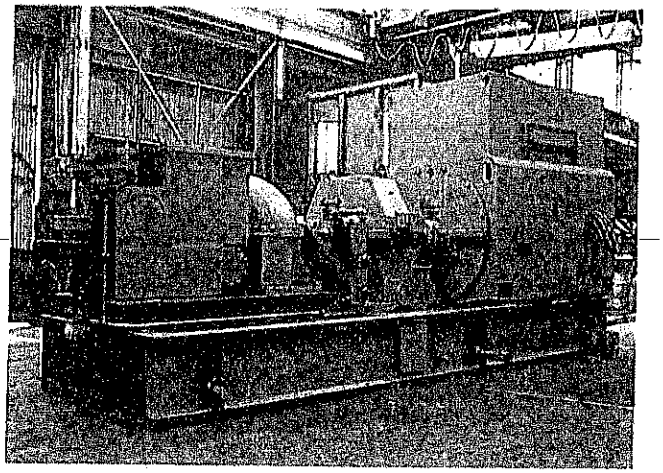
2.4 Stage 3 Process

SOP	III.2	Explanation of the proposed Technology. Include any other contracts with local governments within the United States that use this technology. Provide copies of any contracts with an explanation of the end market product and specific technology



1. **Gas turbine overview** – The main source of electrical power produced within the system comes from four 4- MWe generator sets produced by CAI and known as the Spirit 4. Gas turbines were chosen for their reliability and efficiency in converting gas to electricity. The CAI factory-packaged system is comprised of a gas turbine engine coupled with a synchronous generator and a reduction gearbox that is mounted on a skid containing lubrication and system controls. The complete unit is contained within a weather-proof enclosure that provides environmental protection and acoustic attenuation. This complete assembly is custom engineered and built according to industry standards. The Spirit 4 consists of a GE Gas Turbine, Generator, Reduction-Drive Gearbox, Couplings (High and Low Speed), Start System, Fuel System, Lubricating Oil System, Generator Protection and Control Systems, Ancillary Air Inlet System, Ancillary Exhaust System, Package Enclosure, Ventilation System, Fire Detection System, Fire Suppression System, Combustible Gas Detection System, Sound Attenuated Enclosure, Inlet and Exhaust Ventilation Silencers, Ventilation System, Pressurization System, AC/lighting, Equipment Handling System, Stainless Steel Door Hardware, Skid with Drip Pans, On-skid Electrical Wiring, Piping and Manifolds, Gas Turbine Control Panel.
    i. Gas turbine modifications and multi fuel capabilities – The Spirit 4 is supplied with multiple injectors to allow the use of dual fuels such as syngas, propane, NG, or diesel fuel.
    ii. Exhaust heat recapture and steam generator – The exhaust from the turbines is sent through a blower which routes it to an air-to-water heated steam generator. In this method, the waste heat is recaptured and supplied to the steam generator to produce steam which will then be supplied to a steam turbine and will allow further power production to support all the plants various parasitic loading.
2. **Steam turbine overview** – by utilizing the exhaust heat from the turbine generator set a nominal 35%-40% of the required electrical power equaling 5.25 to 6 MWe could be produced in a simple steam cycle. Based on this size requirement, the steam

generator chosen would be an Elliot single valve multi stage turbine (back pressure condensing). A typical synchronous steam turbine generator package includes a steam turbine, gear, couplings, generator, baseplate, control systems and lube console. There are auxiliary systems such as electrical switch gear, reverse osmosis units and condensers. Below is an image of an Elliot steam generator.



3. **Steam plant basic layout** – This unit is a simple condensing steam cycle. Steam produced from the steam generator is fed to the steam turbine then condensed and returned to the steam generator to be recycled. Make up water is delivered from an RO unit but is minimized by the condenser.
4. **Electric plant loading discussion with parasitic load discussion** – With our estimated parasitic loading during 16 hrs of the day the steam generator will be sized at 5 MWe. This allows the system to produce the nominal 15 MWe out to the busses during the maximum parasitic conditions and up to 18.5 MWe during the 8 hours that the plant is not processing new waste.
5. **Control systems and monitoring equipment** – Each major system component can be controlled locally via the manufacturer's supplied control panels. These systems can also be configured to communicate with all of the most common control interfaces in use today and will be sent via a SCADA based system to a central control station to be remotely monitored and controlled by engineers. Data sets from sensors will be stored within a local database and be available to the engineer to analyze trends and patterns.

There will be a total of 4 power producing generators within this system. The systems are designed to automatically control load balancing and sharing with the utility and can be overridden by the on-site engineer and controlled manually if needed (i.e. the local utility loses power).

2.5 Technical Summation

EEP has designed and developed a complete system that makes a WtE plant financially and technically viable. Our engineering has addressed noise and odor concerns that have plagued similar plants, and the selection of our pyrolysis unit has been tested by DOE with EPA input. Using an oxygen starved environment as well as a specific temperature range helps prevent dioxins from being formed. Processed gas is then further cleansed to remove tars and undesired

pollutants. System burners are low NOx to further reduce emissions. The very process of utilizing the waste stream prevents the production of methane through natural decomposition. Emissions are monitored continuously with installed detectors so that problems can be rapidly identified and corrected. The system shall meet or beat all EPA and local guidelines. In addition, in a case of a System failure/Act of God – the entire plant is fully insured both during construction and operation.

3. Schedule

3.1 Site Build Out

SOP	III.3	Schedule of Implementation
SOP	III.8	How long would the company propose to contract with the R-Board
SOP	III.13	An explanation as to the timeframe in which the company would market the end product of the process.
EC	IV.1	Ability of the Offeror to provide the technology, to deliver the project on schedule, and to financially be able to ensure that the project can continue throughout the contract.

Energy Extraction Partners LLC has been actively pursuing a Waste to Energy plant in the State of Virginia for over two years. Because of this lead time we are well into our build out schedule. *Appendix L: EEP Build out Schedule* provides the major tasks that have been and will need to be executed to open the Waste to Energy plant. Our goal was to be operational by November 2013. EEP will have a slight schedule slippage while we negotiate the landfill agreement which will push the actual operational date to December 2013 / January 2014. *Figure 3.1-1: Milestone Schedule* shows the key milestones.

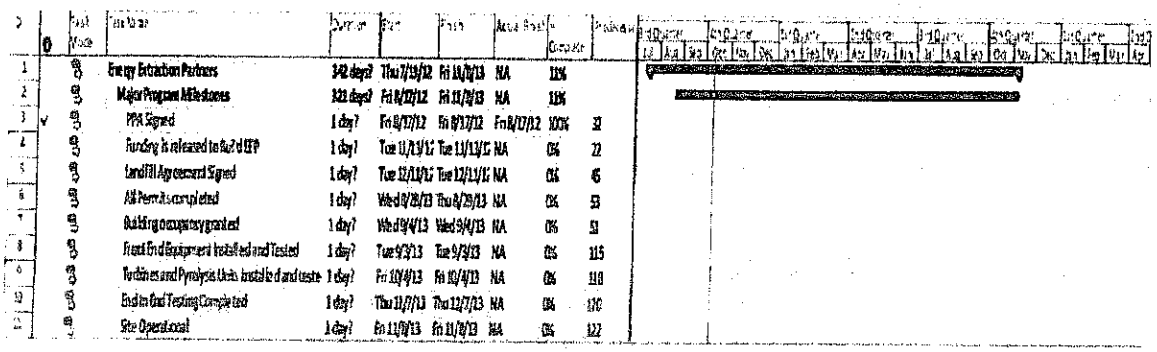


Figure 3.1-1: Milestone Schedule

Once the landfill contract is executed with the R-Board, the funding can be released to EEP to start the site build out and ordering of equipment. *Figure 3.1-2: Process for Fund Release* shows the four major items that must be accomplished. The only red item is the landfill agreement. All other items are complete or on schedule. The long lead schedule item of "who will purchase the power from the plant" is a one year or more process. As a risk reduction we worked this proactively and EEP has a fully executed Power Purchase Agreement with Dominion Power for 15 MWe for 20 years. See *Appendix Q: Fully Executed PPA.*

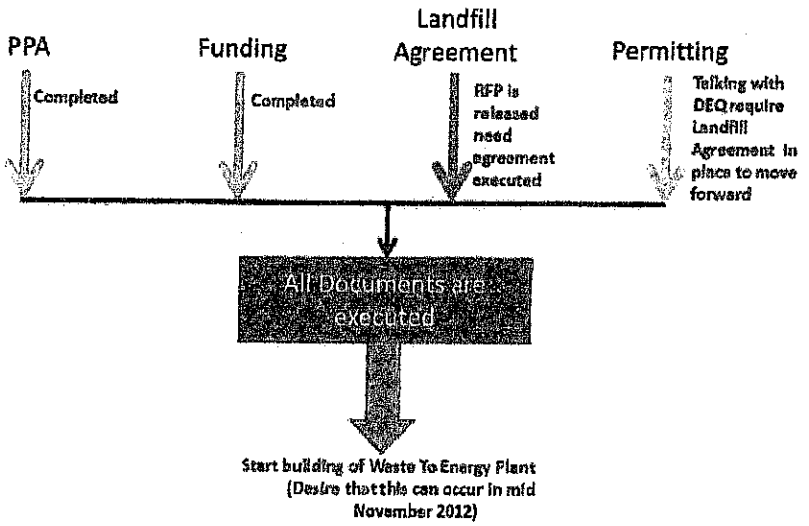


Figure 3.1-2 Process for Fund Release

EEP will require an executed land fill agreement for at least the same duration of 20 years (see *Appendix O: Draft Landfill Agreement*). The critical path in the schedule is the permitting process which can only start upon a fully executed landfill agreement.

Section 2.0: Technology Overview described the plant operations and flow. The three major areas of the plant are the receiving and processing section "Stage 1"; the gasification of the MSW using pyrolysis is Stage 2; Stage 3 is the release of the scrubbed syngas to the turbines.

Stage 1: MSW Processing - Contains the shredders, sorting equipment, dryer and the pelletizers. Our vendors for Stage 1 have all stated they require about six months from time of ordering to deliver the equipment. Based on this timeline we do not anticipate a schedule risk for the plant operation.

Stage 2: is the pyrolysis units - These units take nine months to manufacturer and thus are in the critical path along with the DEQ permitting requirement.

Stage 3: address the turbines - CAI has stated they can provide the 4 MWe turbines in 7 months. This includes all associated skids. We do not anticipate a schedule risk for the plant.

In addition, the funding for the entire plant is in place via an equity contribution from Energy Funding Partners LLC (EFP) and WIT LLC. EEP has the necessary ($60M) funds plus management reserve to build the plant and make it operational at day one. EEP will not be burdened with any debt. Section 5 will describe the source and use of funds.

3.2 Site Operational Schedule

SOP	III.3	Schedule of Implementation
EC	IV.1	Ability of the Offeror to provide the technology, to deliver the project on schedule, and to financially be able to ensure that the project can continue throughout the contract.
EC	IV.5	The schedule of implementation and length of Contract.

Our fully executed Power Purchase Agreement (PPA) is a 20 year contract. We shall be asking for a minimum of 20 year R-Board landfill agreement to parallel the PPA. Our business model is long term operations, which is why we are willing to make a $60M equity investment into the plant site. EEP will be a long term member of the Stafford County business community. Our charity arm (BB Energy 1) is planning to establish scholarships, support for children and families in need within the school systems and many other causes. We would not establish such a program unless we planned to be in business for a long time and empower our employees and members of the community to better themselves and their surroundings.

However in order to stay in business the first factor, we must ensure is that we are profitable. *Section 5: Financial Viability of Proposed Site* will discuss our revenue generation and our costs. Our financial models have been validated by EKS&H Accounting firm using the PPA contract's KWe price point; Production Tax Credits (PTC); depreciation and other revenue factors. A major factor that makes our model profitable over any other model is that we start with no long term notes to service.

4. Projected Cost of the Facility to be Constructed

SOP	III.10	Proposed payment to the R-Board for the purchase or lease of the property

EEP LLC has toured the R-Board's Stafford County Landfill facility multiple times. We feel that the best place to build a Waste to Energy site would be on the landfill site located at Stafford County Landfill, at 489 Eskimo Hill Road, Stafford, VA 22554. On that site is a parcel of land backed by the Ameresco facility that provides methane gas; our team feels that this would be a great area to build the Waste to Energy facility. Currently metal and old refrigerators are stored in that area. The location will not disrupt any truck traffic on the road which flows into the landfill. It allows the current landfill scale to be used by landfill employees to weigh the vehicles. In our proposal the landfill will keep all of the tip fees. We would prefer to purchase the land from the R-Board / Stafford County but can also sign a long term lease if the R-Board prefers.

4.1 Benefits of the Proposed Technology to the County and City

Section 2: Technical Overview described the system. Our system is based on using multiple pyrolysis units to gasify the waste stream and produce a synthetic gas called Syngas which is then scrubbed, placed into a pressurized tank and provided to our gas turbines to produce electricity. Our pyrolysis system vendor hardware was studied, analyzed and tested by the Department of Energy and the EPA for use at the Oneida Waste to Energy plant that is currently being built. The pyrolysis system met or exceeded all of the EPA standards. This study was completed in November 2011.

4.1.1 Technical Benefits to the County and City

SOP	III.7	Statement of the amount of MSW would be able to take each day and what would occur if the amount was not met. The R-Board cannot guarantee any amount of MSW.
EC	IV.2	The benefits of the proposed technology to the County and City.

Upon our facility becoming operational in December 2013/January 2014, the landfill will bury about 10% of the current waste stream or about 27 tons per day (assumes 270 tons a day input as stated in the proposal). This saves on wear and tear of the equipment and is much more environmentally friendly to the landfill. In fact the EPA carbon footprint tool suite on the landfill website estimates that EEP will generate over 23,000 carbon credits per year for each 10 MWe of power production based on the prevention of methane gas at the landfill cell. Note: the landfill already has enough methane in existing cells to satisfy the current Ameresco contract. We anticipate that our process will substantially extend the landfill cell life; a new cell costs over $3M in some cases. It will be environmentally safer thus reducing landfill environmental risks.

Another technical benefit is the ability for the R-Board to state that they have instituted a 100% recycling program. EEP will keep all of the recyclables it pulls out of the waste stream and we will post the statistics on our internal website. Any statistical reporting the landfill needs in order to report to the state of Virginia can be accessed on that website Stafford County will have a top of the line recycling program that will be unsurpassed by any program in Virginia at no cost to the county.

A comprehensive waste management program will be implemented to segregate and manage special wastes that are received within the municipal solid waste stream. All municipal solid waste received by the facility will be processed to identify any special wastes concealed in the incoming waste stream, including any hazardous wastes, universal wastes, as well as recyclable materials. These will be caught in our system and disposed of accordingly.

The addition of our facility onto the landfill is a $4M site improvement to the area before we even move any equipment into the facility. The County and R-Board will be able to use some of the facilities and it provides a backup equipment repair site if required. The addition of water, sewage lines, a 23 MWe power line, paved parking and other site upgrades will all be put into place before we become operational. The table below is from our Executive Summary and provides a snapshot of the technical benefits.

Exec Summary #	Technical Benefits	R-Board Benefit
5	Schedule is in place pending contract award. Expected operational date is Dec 2013/January 2014	Since February of 2012, EEP has been working the Waste to Energy schedule to aim for a December 2013 / January 2014 operational start date. ***Ready day one to start.***
7	All MSW flows first to the EEP facility for use in the process. Extends the landfill life by about 7 times its current life expectancy. Future development of cell G could be out over 80 years.	All MSW will flow into our plant. We estimate that only 10% of the flow will not be usable (concrete, rock, PVC pipes, etc.) which will be returned to your landfill for burial.
9	Full waste management which includes handling of household hazmat (batteries, aerosol cans etc.) and recycling program created at no cost to the county.	All municipal solid waste received by the facility will be processed to identify any special wastes concealed in the incoming waste stream, including any hazardous wastes, universal wastes, as well as recyclable materials. In addition, we can institute a single point recycling program which would save the county approximately $100,000. The R-Board will have all the statistics to show the State how effectively this approach works. Stafford County can go from 55% recyclable program to 100%.
10	Over $4,000,000 of site improvements will be made to the landfill site.	EEP will be developing buildings on the landfill site. The buildings themselves are valued at over $4M in site improvements.

4.1.2 Financial Benefits to the County and City

SOP	III.11	Statement as to how the proposed operation would affect the existing revenue stream at the landfill. Include all tipping fees and sales of recycled materials and state as whether the firm proposes to share any revenue generated by the sale of the end product with the R-Board
SOP	III.13	An explanation as to the timeframe in which the company would market the end product of the process.
EC	IV.2	The benefits of the proposed technology to the County and City.

There are many financial benefits that the R-Board and county will receive with our project. EEP is using proven technology for the Waste to Energy facility. In addition and very importantly, with our approach, the R-Board will receive a substantial profit. *Figure 1.0: Financial Benefit* (repeated here for reference) shows the current R-Board FY13 budget along with the positive effects once EEP is operational and should EEP perform all recycling. We removed the one time large expense in the budget (cell opening costs) provided in the proposal. Since the R-Board will keep all of the tip fees, its revenue will remain unchanged but its expenses decrease sharply. The slight net loss potential for FY13 would become almost a One Million Dollar ($1,000,000) profit which only increases if EEP takes over the recycling program that the county currently operates.

This data is explained in greater detail in *Section 5.0 Financial Viability of Proposed Site* along with the corresponding Appendixes' that lists line item by line item the savings and the reasoning behind those savings. Part of these savings is that EEP is requesting no tip fees from the R-Board. The revenue that the R-Board currently receives remains the same but their expenses decrease by 20% or $982,119.

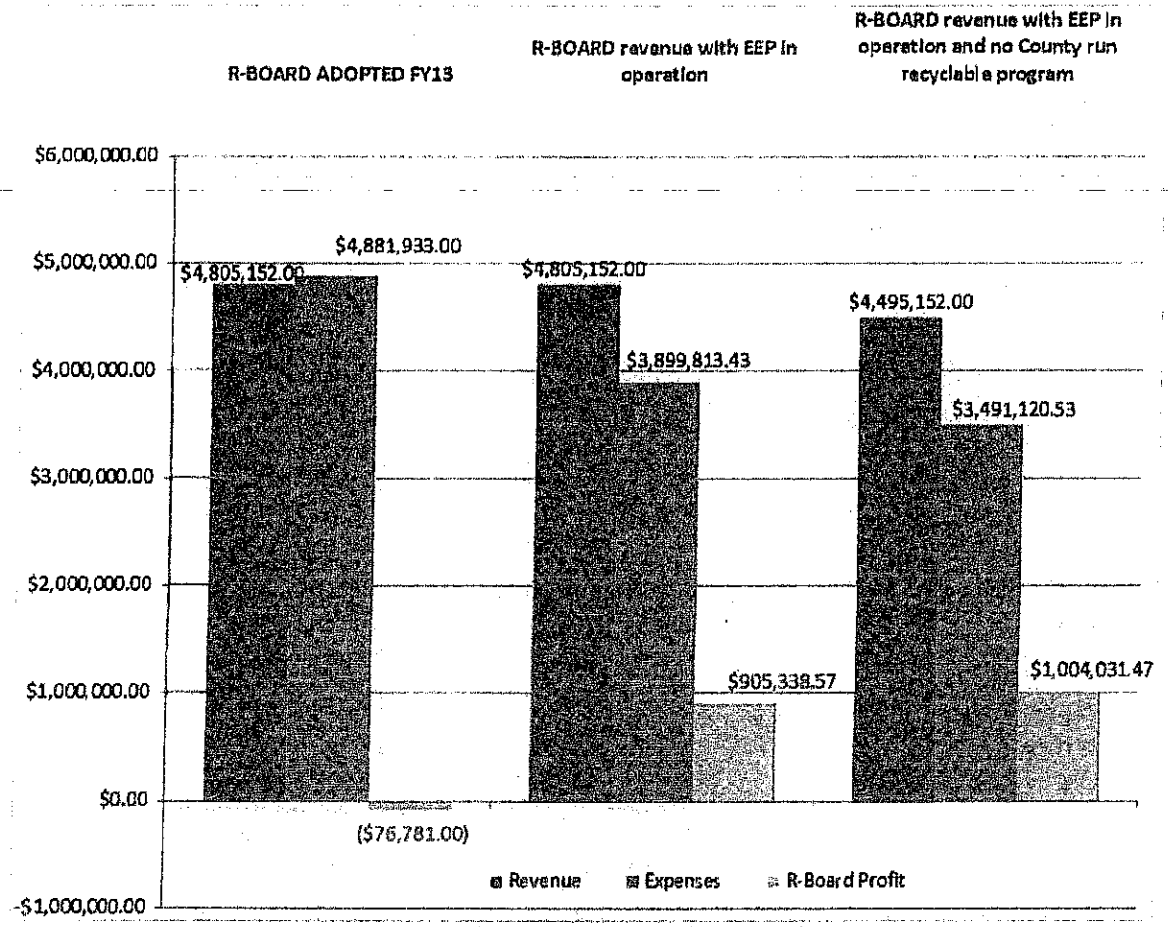


Figure 1.0: Financial Benefit

Another strong financial benefit is that we are 100% funded by equity from Energy Funding Partners LLC (EFP). The R-Board can be assured that the plant will be built and become operational due to the fact that financial requirements have been met. The managing partners of EFP are also the managing partners of EEP; financial approval on expenditures resides within the management team versus an outside venture capital firm.

EEP also approaches the R-Board with a fully executed PPA for 20 years at 15 MWe. See *Appendix Q: Fully Executed PPA*. With the PPA, we have eliminated any concern as to whether we can locate a purchaser of our product - it is already in place. We have placed the sale price of the power into our financial modeling tool. The tool shows that EEP will make a profit at this sale price. Our financial modeling tool was also validated by EKS&H accounting firm who has run performance metrics to ensure that we have covered the cost of expenses, taxes and any credits.

Our team feels that the strongest financial benefit to the County and R-Board is the 55 fulltime jobs with benefits which yield a $3.28M annual payroll to the area. These are solid long term jobs with a mixture of white and blue collar work. A powerful additional benefit is that 10% of the profits from EEP are provided to BB Energy 1 LLC. The role of BB Energy 1 LLC is to work with community leaders (Note: We hope to have a R-Board member be part of the committee) to determine the best use of these funds to help local charitable organizations, provide scholarships for children and to support other charitable activities as the group determines throughout the year. We estimate about $400,000 each year will be available. EKS&H will provide a complete accounting of BB Energy 1 LLC so that all involved can see that the funds are going to the correct usage.

Because of the financial benefits and the desire for EEP to be a strong profitable company we plan to offer the 20% savings ($1M) in expenses and the 55 new jobs with $3.28M annual payroll to the County and R-Board.

The table below is from our Executive Summary and provides a snapshot of the financial benefits.

Exec Summary #	Financial Benefits	R-Board Benefit
1	100% funded by equity contribution. There is no financial risk to the R-Board.	There is no need to raise any capital. All funds are held within our Joint Venture awaiting contract award; at which time funds will be released to EEP. ***Ready day one to start.***
2	Fully Executed 15 MWe / 20 year Power Purchase Agreement with Dominion Power	Competing proposals without a fully executed PPA can anticipate at least a year delay to secure a purchaser of their product. ***Ready day one to start.***
3	EEP Technical Solution saves the R-Board over $1,000,000 ($1M) a year in expenses.	Reduced landfill operating expenses yields considerable savings. We fully document the savings in the sections below and show the FY13 budget released by the R-Board as well as the savings by line item in the budget in Appendix H: Adjusted Budget with EEP Operations and Appendix I: Adjusted Budget with EEP Operations Performing Recyclables instead of the R-Board.
4	R-Board will continue to keep all tip fees from the landfill.	R-Board revenue will not decrease, 100% of all tip fees will continue to flow to the R-Board. Landfill expenses will drop significantly since only 10% of the waste stream will flow back into the landfill after processing by EEP, resulting in increased profits for the R-Board.
6	Creates 55 full time jobs with benefits ($3.28M annual payroll) for the County	Good paying full time jobs for the residents in the county with health care, 401K and many more benefits.
8	10% of the profits from EEP are donated back into the county through local charities.	BB Energy 1 LLC owns 10% of EEP LLC. Its mission is to gather the needs of the Stafford County community and provide charitable giving, scholarships and support. Stafford County citizens will help serve on this committee. A "Pay it Forward" concept.

4.2 Project Cost

SOP	III.4	An Estimated projected cost of the facility being constructed

EEP has pricing from all of our vendors and rough costing on the buildings. We estimate the entire project including insurance, equipment and labor to be about $60M. *Appendix M: Energy Extraction Partners Estimated Costs* provides the details of the costs broken out by each stage. $10M is the portion of this cost that EEP estimates will be spent with Virginia companies from engineering and general contractors to equipment purchases.

4.3 Project Delivery Schedule and Finance

EC	IV.1	Ability of the Offeror to provide the technology, to deliver the project on schedule, and to financially be able to ensure that the project can continue throughout the contract.

EEP is extremely confident that we have the technical capability to build and operate the plant. All the technology exists and our vendors and teammates have performed these tasks and have built and delivered other operational systems in the past. We have been operating on the schedule (*Appendix L: EEP Build Out Schedule*) and have met all of our dates.

All of the qualities required exist within our team:

- Control of all financing; no outside capital firm exist, so all funding is internal
- People who have managed and built large scale systems to include billion dollar programs
- Technology partners who have performance guarantees and contracts in place to ensure all systems work together
- Solid team efforts that are not only building this plant but three others in the next few years. A long term commitment to the communities and the business model exists across all facilities

Upon signing of the Landfill Contract Agreement (see *Appendix O: Draft Landfill Agreement*) the funding shall be released and we will actively pursue having an operational plant by Dec 2013 / January 2014 per our executed PPA date.

5. Financial Viability of Proposed Site

While the other sections dealt with the technology, schedule and financial capability to build the Waste to Energy plant, this section will discuss the operational aspects of the plant and revenue generation. Our team has begun a risk mitigation list to address items ahead of time in order for them not to become issues. One such example is the availability of additional fuel sources in case the waste stream becomes less than the 270 tons per day.

5.1 Capital

SOP	III.5.b	Capital to construct the system
SOP	III.5.c	Working Capital to operate the facility during start-up and operational ramp up until facility revenue stream is generated

EEP has performed cost estimates with our team and have allocated $60M to construct the Waste to Energy Facility (*Appendix M: Energy Extraction Partners Estimated Costs).* In addition we have $7M set aside in management reserve for any possible unforeseen circumstances. The initial plant startup will also require working capital which has the following major expense lines of $287,393 per month in fully burdened salaries and a facility maintenance account of $500,000 which is mostly tied to the costs of knives, blades and dyes on the Stage 1 shedder lines and briquetter. Our PPA states that Dominion Power will pay us on a monthly basis. EEP has established that it will have $4M of working capital to cover startup expenses for the first 8 months.

5.2 Primary and Secondary Source of Waste Stream

SOP	III.5.d	Primary and Secondary source of waste
SOP	III.7	Statement of the amount of MSW would be able to take each day and what would occur if the amount was not met. The R-Board cannot guarantee any amount of MSW.

The Stafford County Landfill has 270 tons of MSW on average per day, while EEP requires 360 tons per day on average. We are roughly 90 tons of MSW or 30 tons of tires short per day for a 15 MWe facility. EEP has been proactively working with a tire handler in order to make up for the shortfall. One ton of tires will reduce the need for three tons of MSW. The Stafford County landfill currently handles 877 tons per year or 2.4 tons per day on average of tires based off the latest tonnage report. The tire handler we are working with has over one million tires on hand and will provide all of the tires they collect in Virginia to us for free. This will easily exceed the 30 tons we require to meet our 15 MWe output.

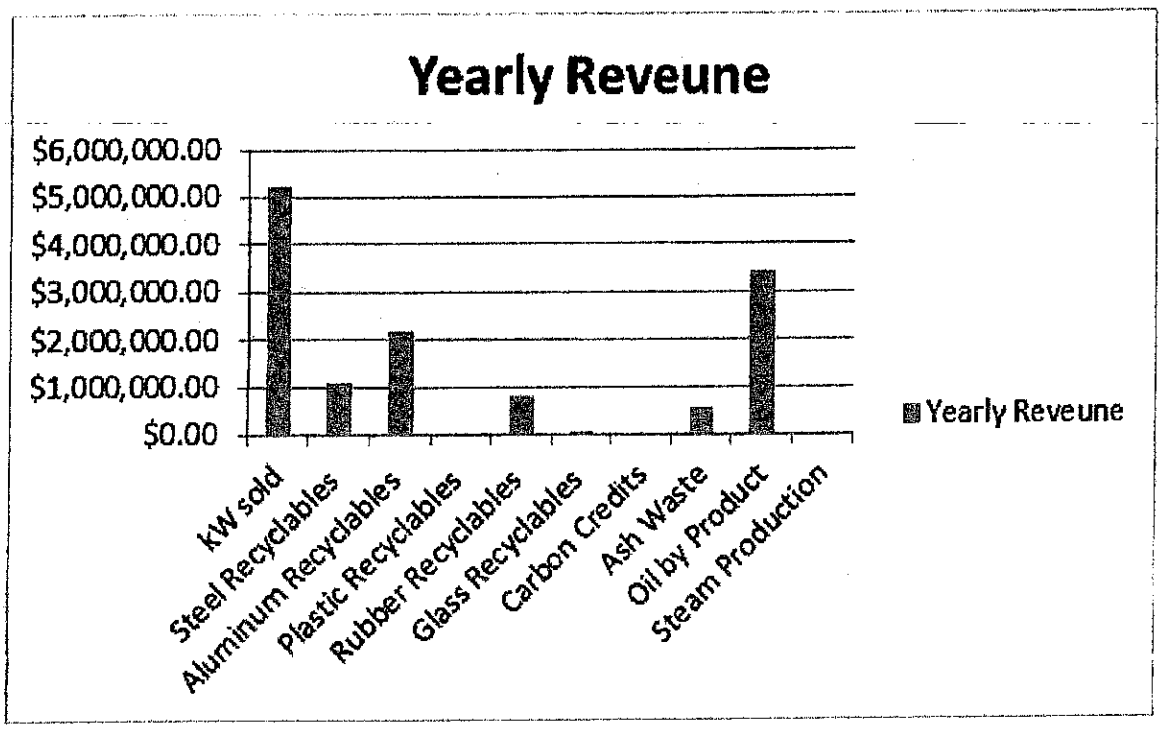
EEP is also pursuing two other options for an enhanced waste stream. We have contacted DEQ and will enter into discussion to go after tire dumps that are still in existence in Virginia in order to clean up and reclaim these tires for our facility. Because of the substantial reduction in landfill cost, the R-Board could decide to lower the tip fee they charge which might increase the amount of waste stream they receive. This increases the MSW that will flow into the landfill and ultimately into the WtE plant. EEP is willing to help model the landfill tip fee to MSW ratio so the R-Board can see the profit break even points. This would only be if the R-Board decided to take that approach.

EEP has worked to remove the risk of the waste stream volume to meet our contractual 15 MWe through the usage of tires but will also proactively work to increase the MSW flow so that we could request Dominion Power increase our PPA to 20 MWe once we are operational for a few years.

5.3 Primary and Secondary Revenue Source

SOP	III.5.e	Primary and Secondary source of energy revenues

There are multiple sources of revenue in our Waste to Energy system model. The largest is the sale of electricity, but our byproducts from the pyrolysis process (ash and oil) are valuable commodities. In addition, because all of the MSW is processed through our system there are a large number of recyclables that are part of products that currently are being buried. Our system will pull out those recyclables and make them available for resale. Steel and aluminum are the two most valuable of these recyclables.



Another factor is that in our revenue model we do not forecast any revenue for Carbon Credits of which we will receive about 23,000 per 10 MWe produced. The current commodity market has dropped on the sale of carbon credits but they still have a slight value. We also do not include any revenue from plastics since a majority of the plastics will be used in the pyrolysis system because of their high BTU value. There also is a glut in recycled plastics on the market today, so the cost benefit is to use them within our system. Steam production is also at a zero revenue forecast. This is because we plan to use the steam capability to generate our parasitic load within the plant which will be 4.2 MWe of need at peak. We will be doing this to reduce expenses.

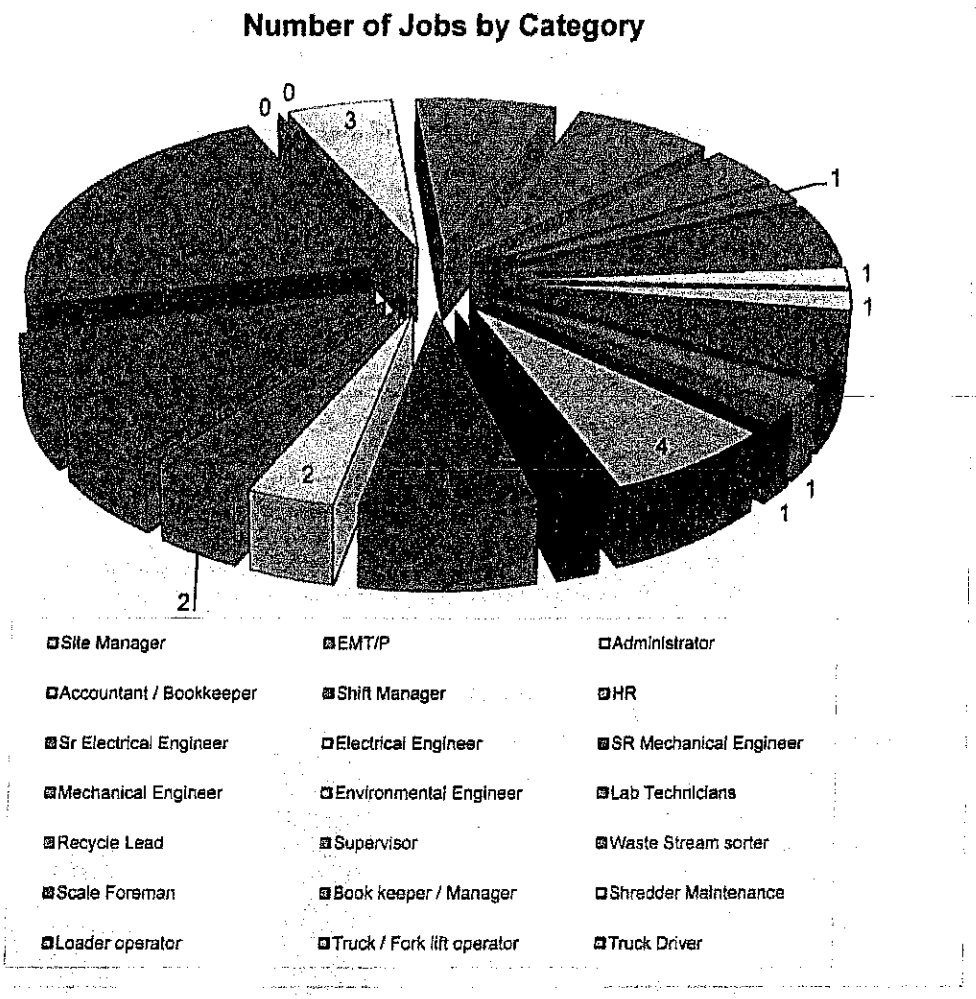
EEP financial projections have been reviewed by our accounting and tax firm EKS&H. They have validated that our financial forecast is sound and based on approved accounting practices. Our model also used the 5 year low sale price in the commodity market for all our financial projections to ensure that we will obtain a profit in the operations of the facility.

5.4 Economic Incentives and Job Creation

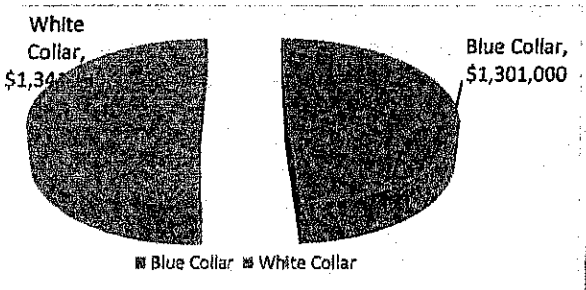
SOP	III.14	An estimate of how many persons will be employed at the facility, value of the building, value of the machinery and tools in the building in order for the R-Board to estimate the tax revenue from the project
SOP	III.15	Address and economic incentives such as job creation

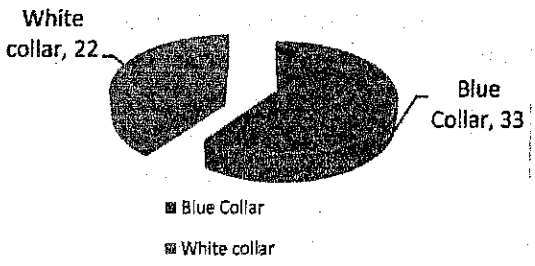
The community will see significant benefits from the construction and operation of the facility. The proposed facility was discussed in Section 4. EEP estimates that of the facility costs of $60M approximately $10M will be spent within the community of Stafford County or Virginia. This includes the price of Dewberry, the engineering firm (located in Richmond, VA); the general contractor (Stafford) to build the buildings; the cost of purchasing equipment such as front end loaders, fork lifts etc. The rest of the cost is tied to the machinery and tools within the building.

The biggest benefit for Stafford County will be the daily operations of the WtE facility. This is a long term business that will reside within the community as long as the R-Board and Dominion Power will renew their agreements. The minimum is 20 years which is the current baseline agreement signed with Dominion Power. The charts below show the number of jobs (55) created and the categories of those jobs. The lower graphs show the break out of jobs by blue and white collar description and the estimated annual salary attributed to both groups.



The average salary and the total yearly salary shown in the figures above do not include the cost of the benefits that all EEP employees will receive. That takes the annual salary costs of $2.6M shown above to a total burden cost (salary plus benefits) of $3.28M per year.





By the R-Board awarding this contract, EEP will be responsible for creating a $60M asset that will become part of the tax base. EEP will be exercising the tax credit incentives that exist within the state of Virginia for new business entering into the state. As an example

- Virginia Jobs Tax Credit
- Recyclable Materials Processing Equipment and Alternative Recycling Credit
- Worker Retraining Credit

In addition, EEP desires to discuss the initial real estate tax / property tax assessment that will be levied on our operational facility. Our goal is to have a reduction of the taxes for the initial years in order to ensure a profitable startup.

5.5 Financial Outlook of Project

SOP	III.12	A statement as to how the R-Board will be protected from the company going out of business or otherwise breaching the contract, such as letters of credit, bonds, or other financing instruments.
EC	IV.1	Ability of the Offeror to provide the technology, to deliver the project on schedule, and to financially be able to ensure that the project can continue throughout the contract.
EC	IV.3	The proposed terms of the lease, purchase, and/or revenue sharing, including payment terms and the amount of MSW proposed to be diverted each day.

Section 4.3 Project Delivery Schedule and Finance provides the data on project cost and how EEP will be financing the facility along with the schedule we have laid out to meet our PPA operational date. The second part is the project viability, once the facility is constructed, will it be financially viable. *Figure 5.5-1: Income vs. Expense* shows the combined picture of our revenue stream discussed in *Section 5.3 Primary and Secondary Revenue Source.*

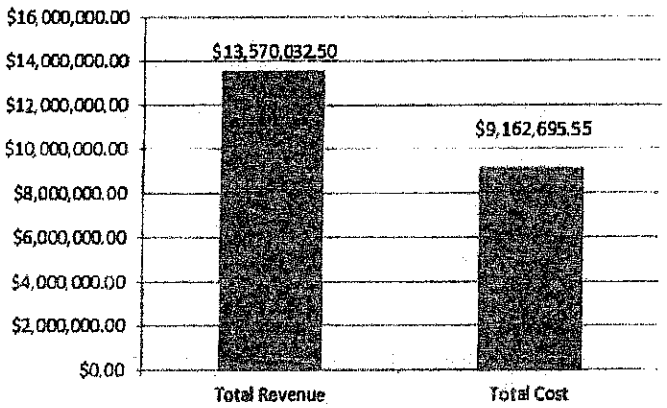


Figure 5.5-1: Income vs. Expense

Figure 5.5-1: Income vs. Expense does not reflect any cost savings from the tax incentives. It should be noted that the profit yielded from the plant operation of approximately $4.4M will be taxed. The tax estimate is not reflected in these numbers as they are gross profit.

In order for EEP to receive the equity investment from EFP, it is required to have a landfill agreement equal to or greater than the term of the PPA. We are requesting a landfill agreement that is at least 20 years in length. See *Appendix O: Draft Landfill Agreement* for the agreement we wish the R-Board to consider. The agreement requests that the entire waste stream be diverted to our facility that shall reside on the landfill property. It also states that since the R-Board keeps all the tip fees, EEP has the right to direct any waste stream we cannot use in our processing to the landfill at no cost to us. Examples of materials that will be returned are dirt, rock, concrete and PVC pipes.

There will be no revenue sharing because EEP believes that the $1M in estimated cost savings with no reduction in revenue is a strong incentive for the R-Board. In addition EEP is providing 10% of our profit back for charity work within the Stafford County community through BB Energy 1. All the risk to build a profitable business (funding, operations, employees, etc.) is the responsibility of EEP.

The final look at the financial viability of the project considers what would occur in the event of the company ceasing operation. Although EEP does not anticipate any circumstances in which this would occur, we feel it is wise to have a contingent plan. If EEP were to cease operation, we would lose our equity investment of $60M. The effect to the county would be the loss of the jobs that EEP had created. EEP has contracted with IRG Insurance to place into effect an insurance bond. They shall perform a Phase 0 or 1 study on the site that EEP will build on. The insurance bond will list the R-Board, Stafford County and the city as the beneficiaries. This policy will cover all costs to restore the property back to the original environmental condition if required. EEP will maintain this account on a yearly basis and provide proof that the insurance premium has been paid and is up to date.

In addition, the buildings valued at $4M would still reside on the property and be an enhancement to the R-Board as property value. Again, these are contingent plans for worst case scenario which we are confident will not be required.

6. Local, State and Federal Permits Needed to Begin Operation

This Waste-to-Energy facility has been designed to produce almost complete combustion of refuse-derived-fuel (RDF). The pyrolysis process of this Waste-to-Energy technology will destroy pathogens, organics, and other disease-bearing material that may be contained in the Municipal Solid Waste (MSW). MSW coming into a Waste-to-Energy facility shall be handled in enclosed tipping halls that are maintained under negative pressure to pull air directly into the turbines and destroy any odors.

This Waste-to-Energy facility will operate to meet or exceed the EPA's Maximum Achievable Control Technology (MACT) standards with an emissions control system exceeding regulatory requirements.

6.1 Facility Operations / Waste Stream Analysis

SOP	III.5.a	Permitting
SOP	III.2	An explanation of the proposed technology that will be used. Include any other contracts with local governments within the United States that use this technology. Provide copies of any contracts with an explanation of the end market product and the specific technology. This information may be marked proprietary.

A waste stream analysis shall be conducted in November 2012 to identify environmental regulatory requirements applicable to facility operations. These requirements apply to the transport, storage and treatment of solid/hazardous wastes and fuels, and discharges to the environment. The description of how the facility processes MSW is discussed in its entirety in *Section 2: Technical Overview*. General facility operations will include the transport, storage and processing of municipal solid waste and tires for pyrolytic conversion into syngas. The scrubbed syngas will then be used to power a turbine for the generation of electricity.

The anticipated composition of MSW received by the facility is summarized in *Table 6.1-1: Typical Composition of Municipal Solid Waste (MSW)*.

Table 6.1-1: Typical Composition of Municipal Solid Waste (MSW)

Waste Group	Description	Approximate Percentage (by Weight)
Paper	Newspaper, office paper, magazines, cardboard	20.7
Plastic	PET and HDPE containers, other plastic containers, polystyrene foam, shopping bags, plastic film	13.6
Metal	Aluminum cans, ferrous (tin) cans, ferrous scrap, non-ferrous scrap	4.6
Glass	Clear beverage containers, colored beverage containers, glass food containers, other glass	1.6
Organic Waste	Yard materials, food scraps, diapers, animal waste/kitty litter, bottom fines/dirt, other organic material	36.6
Construction and Demolition Waste	Wood, bricks, concrete, rock, ceramics	9.6
Problem Materials (i.e., Universal Wastes)	Electronics, appliances, batteries, fluorescent lights	2.6
Hazardous Materials	Paint, automobile oil filters, medical waste, household hazardous waste	0.1
Other Waste	Textiles, carpet, carpet pads, furniture, bulky items	10.7

(1) **DOE, *Final Environmental Assessment for the Oneida Seven Generations Corporation: Energy Recovery Project. Green Bay, Wisconsin*, Nov 2011**

Processing of the waste will primarily involve mechanical segregation of material types for resale to a recycler and removal of other material undesirable to the pyrolitc process. Recyclable materials include: ferrous metals, aluminum cans, plastic bottles, glass and paper. Undesirable materials include those items which are characterized or listed as hazardous wastes, or universal wastes (i.e., batteries, electronics, pesticides, non-empty aerosol cans, mercury containing devices, and lamps). These segregated materials will be temporarily staged for appropriate off-site disposal or recycle.

The remaining unsegregated MSW will be passed through a shredder to reduce the material in size to less than two inches. With MSW typically containing an excess of 15% moisture content, the shredded waste will then be passed through a dryer for dehydration to remove any excess moisture. The dried MSW is then moved to a pelletizer and staged as RDF for feed loading into the pyrolysis unit.

Bulk Tire Receiving, Storage and Processing

Rubber is a suitable material for use in pyrolysis, and will be used to supplement the RDF derived from MSW. Haul trucks will transport bulk tires from off-site disposal and recycling facilities and from commercial vendors. Upon arrival they will be weighed to determine the quantity being received and processed by the facility. The haul trucks will then be directed to deliver their loads to the enclosed facility. Bulk tires are then shredded and staged for feed loading into the pyrolysis unit.

Wastewater and Condensate Disposal

Industrial wastewater will be generated during the waste to energy process, and will include:

- Moisture collected from the drying of MSW
- Wastewater generated by the syngas scrubber
- Condensate from the syngas condenser
- Condensate accumulated in the syngas storage tanks
- Wash water collected from custodial activities

The disposition of this wastewater is subject to additional scoping activities with our RO units (Reverse Osmosis), so that we can perform direct discharge to local sewer operated by Stafford County Utilities, or onsite management for reuse in our facility. Use of lagoons or shared lagoons with the facility is an option but the preference is the direct discharge to local sewer.

Regardless of which alternative is selected, and depending on the waste stream, pretreatment (using separation and settlement technologies) and recycle will be utilized to the extent possible.

6.2 Environmental Overview

SOP	III.6	List of local, state, and federal permits needed to begin operation.
EC	IV.1	Ability of the Offeror to provide the technology, to deliver the project on schedule, and to financially be able to ensure that the project can continue throughout the contract.
EC	IV.4	The environmental, noise, and odor and other issues that are associated with the technology and how they are addressed.

This section presents a review of the major environmental requirements pertaining to construction and operation of this Waste-to-Energy facility. Specifically addressed are those requirements regarding the management of wastes at the facility, air emissions, and discharges of wastewater. In addition, EEP is fully in compliance with the insurance requirements in the Stafford Virginia insuring request for proposal RFP-111124, dated October 3, 2012. A pro forma insurance certificate evidencing the insurance compliance is included in the EEP response package (*Appendix N: Insurance Certificate*).

EEP has retained International Risk Group (IRG) on an annual basis to provide additional assurance for Stafford Virginia that project environmental issues will be secured. Under the retainer agreement with EEP, International Risk Group will provide:

- Baseline, Phase 1 Assessment of the site to be utilized by EEP
- A report of current and existing environmental conditions and potential disposition.
- A scope of work for remediation in the unlikely event that EEP will be required to decommission the site.
- Performance surety for the scope of work.

The staff of International Risk Group (IRG) has, for over 20 years, provided successful remediation, liability assumptions and closures for hundreds of millions of dollars of environmental liabilities. Additionally, IRG has received two Phoenix Awards and the International Brownfield Public/Private Partnership Award for 2011. More information on IRG is included in this response in the form of a brochure.

6.2.1 Solid Wastes

SOP	III.6	List of local, state, and federal permits needed to begin operation.
EC	IV.1	Ability of the Offeror to provide the technology, to deliver the project on schedule, and to financially be able to ensure that the project can continue throughout the contract.
EC	IV.4	The environmental, noise, and odor and other issues that are associated with the technology and how they are addressed.

Title 9, Agency 20, Chapter 81 of the Virginia Administrative Code establishes authority to regulate the operation of waste management facilities, including resource recovery facilities (i.e., Waste-to-Energy facilities), within the Commonwealth of Virginia. This WtE facility will require a Solid Waste Management Permit due to the fact that it will treat, store and manage solid wastes [9 VAC 20-81-40.A].

Facility operations involving waste tires and certain recyclable materials will otherwise be excluded from permit requirements under 9 VAC 20-81-95.C and F:

> 9 VAC-81-95.C states: "*.... the following materials are not solid wastes ... waste tires, tire chips or tire shred when burned for energy recovery or when used in pyrolysis, gasification, or similar treatment process to produce fuel; and ... Waste-derived fuel product, as defined in 9VAC20-81-10, derived from nonhazardous solid waste.*"
>
> 9 VAC-81-95.F states: "*The following solid wastes are exempt ... paper and paper products; clean wood waste ... ; cloth; glass; plastics; tire chips, tire shred, ground rubber; and mixtures of above materials only.*"

Any owner or operator of incinerators (Note: DEQ will view us under these guidelines even though we are pyrolysis), energy recovery, and thermal treatment facilities managing non-

hazardous waste must obtain a Solid Waste Incinerator and Energy Recovery Facility Permit in accordance with 9 VAC 81-400. The application for permit must be submitted in two parts. First, Part A pertaining to siting criteria and Part B which includes detailed engineering design and operating plans for the proposed facility.

The permit issued will consist of several modules, each dealing with requirements of separate topics. At a minimum, this Solid Waste Management Permit will include: Module I – General Permit Conditions, Module 2 – General Facility Requirements, and Module IX – Energy Recovery and Incineration Facility.

6.2.2 Hazardous Waste

SOP	III.6	List of local, state, and federal permits needed to begin operation.
EC	IV.1	Ability of the Offeror to provide the technology, to deliver the project on schedule, and to financially be able to ensure that the project can continue throughout the contract.
EC	IV.4	The environmental, noise, and odor and other issues that are associated with the technology and how they are addressed.

Title 9 of the Virginia Administrative Code, Agency 20, has adopted by reference the requirements of 40 CFR Part 124 [9 VAC 20, Chapter 60, Section 124] for management of hazardous wastes. By definition, a Hazardous Waste Large Quantity Generators (LQG) generates 1,000 kilograms per month or more of hazardous waste, or more than 1 kilogram per month of acutely hazardous waste. A Small Quantity Generator (SQG) generates more than 100 kilograms but less than 1,000 kilograms of hazardous waste per month. Additionally a Conditionally Exempt Small Quantity Generator generates less than 100 kilograms of hazardous waste per month.

Certain waste management activities, however, shall be excluded from regulation as hazardous waste as exempted by Rule 1200-01-11-.02(1)(d)2(i), which states:

> *2. Wastes Which Are Not Hazardous Wastes*
>
> *The following wastes are not hazardous wastes:*
>
> *(i) Household waste, including household waste that has been collected, transported, stored, treated, disposed, recovered (e.g., refuse-derived fuel) or reused. "Household waste" means any material (including garbage, trash and sanitary wastes in septic tanks) derived from households (including single and multiple residences, hotels and motels, bunkhouses, ranger stations, crew quarters, campgrounds, picnic grounds and day-use recreation areas). A resource recovery facility managing municipal waste shall not be deemed to be treating, storing, disposing of, or otherwise managing hazardous wastes for the purposes of regulation under Rule Chapter 1200-01-11, if such facility:*
>
> *(I) Receives and burns only*
>
> *I. Household waste (from single and multiple dwellings, hotels, motels, and other residential sources) and*

II. Waste from commercial or industrial sources that does not contain hazardous waste; and

(II) Such facility does not accept hazardous wastes and the owner or operator of such facility has established contractual requirements or other appropriate notification or inspection procedures to assure that hazardous wastes are not received at or burned in such facility.

Although the facility is not intent intended to receive hazardous waste for use in the WtE process, it can reasonably be assumed that there may be incidental quantities of hazardous wastes comingled in the MSW because of poor disposal practices of customers. It is assumed that as much as 0.1% of the material segregated from the incoming MSW is hazardous (see *Table 6.1-1: Typical Composition of Municipal Solid Waste (MSW)*). To the extent practicable, these wastes will be segregated from the MSW waste stream for appropriate management and disposal. With an anticipated average daily receipt of approximately 270 tons of MSW (6 days a week), the facility could generate approximately 84.2 tons/year of hazardous waste. Any hazardous wastes generated by the facility will be managed as a Large Quantity Generator, with the anticipation of accumulating more than 1,000 kilograms of hazardous waste per month.

6.2.3 Universal Waste

SOP	III.6	List of local, state, and federal permits needed to begin operation.
EC	IV.1	Ability of the Offeror to provide the technology, to deliver the project on schedule, and to financially be able to ensure that the project can continue throughout the contract.
EC	IV.4	The environmental, noise, and odor and other issues that are associated with the technology and how they are addressed.

Title 9 of the Virginia Administrative Code, Agency 20, has adopted by reference the requirements of 40 CFR Part 273 [9 VAC 20, Chapter 60, Section 272 and Section 1505] for management of universal wastes. Universal wastes include electronic devices, batteries, pesticides, mercury-containing equipment, non-empty aerosol cans and lamps. By definition, a Small Quantity Handler of Universal Waste will not accumulate more than 5,000 kilograms total of universal wastes at any time. Small Quantity Handlers of universal waste are not required to notify EPA of universal waste handling activities. Large Quantity Handler of universal waste (that accumulate more than 5,000 kilograms of universal waste at any one time), however, are required to register their installation with the EPA, and will be issued an ID number. Transporters of universal wastes are not required to register with EPA, nor obtain an ID number from EPA. Permits are not issued for universal waste handlers or transporters, and therefore a universal waste handler/transporter permit will not be required for universal waste operations at this facility.

Unless otherwise exempted under Rule 1200-01-11-.02(1)(d)2(i), universal wastes generated by the facility will be managed as a Small Quantity Handler, with the intent of not accumulating more than 5,000 kilograms of universal waste at any time.

6.2.4 Air Emissions

SOP	III.6	List of local, state, and federal permits needed to begin operation.
EC	IV.1	Ability of the Offeror to provide the technology, to deliver the project on schedule, and to financially be able to ensure that the project can continue throughout the contract.
EC	IV.4	The environmental, noise, and odor and other issues that are associated with

	the technology and how they are addressed.

The Clean Air Act (and subsequent amendments) established authority for controlling air pollution, and required the EPA to set National Ambient Air Quality Standards (NAAQS) for certain pollutants (criteria pollutants). In addition, the act provided National Emissions Standards for Hazardous Air Pollutants (NESHAPs) to regulate toxic or hazardous air pollutants (HAPs).

Any stationary source of air pollution (whether pollutants are criteria pollutants or toxic/hazardous pollutants) is required to obtain an air pollution permit before beginning construction and operation. The permitting process is called New Source Review (NSR), and is required whether the major source is planned for an area where the national ambient air quality standards (NAAQS) are exceeded (non-attainment areas), or for an area where ambient air quality is acceptable (attainment and unclassifiable areas).

Tile 9 of the Virginia Administrative Code, Agency 5 has developed criteria regarding application for air discharge permits, depending upon the quantity of emissions from the facility:

- **NSR Permit, Minor Source – Article 6 (9 VAC 5-80-1100)**

Applicable to those facilities that have the potential to emit air pollutants above exemption thresholds (see *Table 6.2.4-1 – Criteria Pollutant Exemption Thresholds*), but less than 100 tons per year of any criteria pollutant (PM, PM-10, CO, NO_X, SO_2, and VOC) and less than 10 tons per year of one toxic pollutant (or 25 tons per year of a combination of toxics pollutants). ($1,500 application fee, 180 day application process)

Table 6.2.4-1 – Criteria Pollutant Exemption Thresholds

Pollutant	New Source (tons/yr)
PM	25
PM-10	15
CO	100
NO_X	40
SO_2	40
VOC	25
9 VAC 5-80-1320	

- **State Major Source – Article 5 (9 VAC 5-80-800)**

Applicable to those facilities with potential to emit more than 100 tons per year, but less than 250 tons per year, of any criteria pollutant (PM, PM-10, CO, NO_X, SO_2, and VOC), and are not listed in the 28 categories under "major stationary source" as defined in 9VAC5-80-1615. State major permits can be used to keep a facility below the higher PSD major stationary source thresholds by establishing practical and federally enforceable permit conditions that limit a facility's uncontrolled emissions. ($7,000 application fee, 45-day application completeness review, 180-day processing, 60-day APCB decision, 30-day federal land manager review)

- **NSR Permit, Major Source (MACT) – Article 7 (9 VAC 5-80-1400)**

Applicable to those facilities with potential to emit 10 tons per year or more of any individual hazardous air pollutant (HAP), or 25 tons per year or more of any combination of HAP. ($30,000 application fee, 45-day application completeness review, 180-day processing)

- **NSR Permit, Major Source (PSD – Attainment Areas) – Article 8 (9 VAC 5-80-1605)**

Applicable to those facilities with the potential to emit over 250 tons per year (tpy) of a single criteria pollutant, or is in one of the listed source categories under 9VAC5-80-1615 with the potential to emit over 100 tpy of any criteria pollutant. PSD permits are issued in areas that are in attainment of the National Ambient Air Quality Standards. PSD permits require that an air quality analysis be performed, and Best Available Control Technology (BACT) to control emissions be installed. ($30,000 application fee, 12-month review process)

- **NSR Permit, Major Source (Nonattainment Areas) – Article 9 (9 VAC 5-80-2000)**

Article 9 permitting of major sources pertains to facilities located in nonattainment areas. Because the proposed location of this facility is in Stafford County, which is an EPA-listed attainment area, the permit requirements of Article 9 do not apply.

It is likely that this Waste-to-Energy facility will require either an Article 6 Permit (Minor Source), Article 5 (State Major Source), or Article 8 Permit (PSD Major Source in attainment area).

Prior to submitting any application for an air discharge permit, a meeting and review will be held with representatives from the Virginia DEQ – Air Pollution Control Board to determine which permit would be applicable for this facility.

6.2.5 Wastewater

SOP	III.6	List of local, state, and federal permits needed to begin operation.
EC	IV.1	Ability of the Offeror to provide the technology, to deliver the project on schedule, and to financially be able to ensure that the project can continue throughout the contract.
EC	IV.4	The environmental, noise, and odor and other issues that are associated with the technology and how they are addressed.

Wastewater generated by the WtE facility will be discharged directly to local Stafford County municipal sewer under an industrial pretreatment permit.

The nearest sewer capable of receiving wastewater is a 4-inch forced main and lift station located at the Stafford County Animal Control facility, approximately 0.4 miles south of the proposed WTE facility.

6.2.6 Storm Water

SOP	III.6	List of local, state, and federal permits needed to begin operation.
EC	IV.1	Ability of the Offeror to provide the technology, to deliver the project on schedule, and to financially be able to ensure that the project can continue throughout the contract.
EC	IV.4	The environmental, noise, and odor and other issues that are associated with the technology and how they are addressed.

Storm water discharge is regulated by Clean Water Act, Title 4 of the Virginia Administrative Code (Article 50, Chapter 60), and Stafford County Ordinance (Division 2, Sec. 21.5).

Virginia Stormwater Management Program is administered by the Virginia Soil and Water Conservation Board, who retains the authority to issue Stormwater Discharge permits to any entity performing a land-disturbing activity, or who retains the authority to delegate such permitting requirements to a local authority (e.g., Stafford County).

Stafford County Ordinance imposes stormwater management practices for new development (SCO 21.5-2 and 3), and further prohibits any material or industrial discharge from being released into the stormwater system without a VPDES permit (SCO 21.5-19).

6.2.7 Odor

SOP	III.6	List of local, state, and federal permits needed to begin operation.
SOP	III.9	A statement as to the anticipated noise level from the operation and whether any odors from the operation will ensue and how will these issues be addressed.
EC	IV.1	Ability of the Offeror to provide the technology, to deliver the project on schedule, and to financially be able to ensure that the project can continue throughout the contract.
EC	IV.4	The environmental, noise, and odor and other issues that are associated with the technology and how they are addressed.

Odors are regulated by the Virginia DEQ – Air Pollution Control Board under the emissions standards of 9 VAC 5-40-140, in which *"No owner or other person shall cause or permit to be discharged into the atmosphere from any affected facility any emissions which cause an odor objectionable to individuals of ordinary sensibility."*

Malodorous odors from degradation of MSW will be mitigated by performing all waste transfer and processing within the enclosed facility. All waste delivered to the plant shall be processed that day to minimize vermin and odor issues. Once the MSW has been dried and pelletized, the refuse-derived-fuel has very little odor. The air inlets for the turbines shall take in air from the MSW tipping floor, thereby creating a negative air pressure to minimize fugitive odors. In addition, odor control devices shall be installed as necessary to further control any issues.

6.2.8 Noise

SOP	III.6	List of local, state, and federal permits needed to begin operation.
SOP	III.9	A statement as to the anticipated noise level from the operation and whether any odors from the operation will ensue and how will these issues be addressed.
EC	IV.1	Ability of the Offeror to provide the technology, to deliver the project on schedule, and to financially be able to ensure that the project can continue throughout the contract.
EC	IV.4	The environmental, noise, and odor and other issues that are associated with the technology and how they are addressed.

Noise levels are regulated by localities, and not at the State level. In the case of this WtE facility, noise is regulated by Section 2 of the Stafford County Ordinance, Division 2. This ordinance limits daytime noise levels from industrial facilities, to 79 decibels (dBA), and nighttime levels to 72 dBA, as measured at the property boundary of the facility.

To reduce noise emissions, all waste transfer, refuse-derived-fuel processing and power generation operations will be conducted within the closed facilities. Noise levels within the facility will be maintained within the OSHA guidelines. The gas turbines produce sounds of less than 120 decibels.

6.2.9 Fuel Storage

SOP	III.6	List of local, state, and federal permits needed to begin operation.
EC	IV.1	Ability of the Offeror to provide the technology, to deliver the project on schedule, and to financially be able to ensure that the project can continue throughout the contract.
EC	IV.4	The environmental, noise, and odor and other issues that are associated with the technology and how they are addressed.

Compressed natural gas (CNG) and diesel fuel will be utilized as supplemental fuel to the pyrolysis unit(s) and/or gas combustion turbines. Diesel fuel will be stored in above-ground storage tanks (AST's), located within sized secondary containment.

Sites that store fuel in excess of 1,350 gallons of cumulative capacity are subject to the Federal 40 CFR 112 regulations pertaining to Spill Prevention, Control and Countermeasures.

Code of Virginia requires an operator of a facility located within the Commonwealth with an aggregate aboveground storage capacity of more than 1,320 gallons of oil or an operator of an individual AST located within the Commonwealth with a storage capacity of more than 660 gallons of oil to register such facility or AST [9 VAC 25-91-100]. There are no permitting requirements for fuel-storage AST's.

6.2.10 Summary of Permit Requirements

Table 6.2.10-1 Permit Requirement Summary presents a summary of the major permits required to operate this waste-to-energy facility.

Table 6.2.10-1 – Permit Requirement Summary

Subject	Permit	Governing Agency	Applicable Regulation
Municipal Solid Waste	Solid Waste Management Permit	VDEQ – Waste Management Board	9 VAC 20-81-40.A Stafford County Ordinance, Division 2, Sec. 21
Municipal Solid Waste	Solid Waste Incinerator and Energy Recovery Facility Permit	VDEQ – Waste Management Board	9 VAC 20-81-400 Stafford County Ordinance, Division 2, Sec. 21
Hazardous Waste Generation	Large Quantity Generator	US EPA	40 CFR Part 124 9 VAC 20-60-124 Stafford County Ordinance, Division 2, Sec. 21
Universal Waste	Small Quantity Handler (registration is not req'd) Large Quantity Handler (registration is req'd)	US EPA	40 CFR Part 273 9 VAC 20-60-272,1505 Stafford County Ordinance, Division 2, Sec. 21
Air Discharge	Air Quality Permit (i.e., State Major Permit, NSR Minor Permit, NSR Major Permit)	VDEQ – Air Pollution Control Board	9 VAC 5-80
Wastewater Discharge	Wastewater Discharge Permit	Safford County	Stafford County Ordinance, Division 2, Sec. 25-210
Storm Water Discharge	New development req'd stormwater management practices; Illicit discharge req'd VSMP Permit	Virginia Soil and Water Conservation Board Stafford County	4 VAC 50-60 Stafford County Ordinance, Division 2, Sec. 21.5

Subject	Permit	Governing Agency	Applicable Regulation
Odors	permit not required	VDEQ – Air Pollution Control Board	9 VAC 5-40-140
Noise	permit not required	Stafford County	Stafford County Ordinance, Division 2, Sec. 16
AST Fuel Storage (ind. cap. > 660 gal cumm. cap. > 1,320 gal)	State registration req'd for ASTs > 660 gallons SPCC Plan req'd for cumm. Cap. > 1,320 gallons	VDEQ – Office of Spill Response and Remediation	40 CFR 112 9 VAC 25-91-20

7. Summary

EEP is pleased to have had the opportunity to submit our proposal response. We feel that our response is 100% compliant and meets all of the requirements identified in the solicitation. The most important factor on our submittal is that our Waste to Energy (WtE) proposal far exceeds the requirements in environmental safety, financial stability, elimination of the waste stream. Of equal and perhaps even greater importance is the fact EEP will create, offer and maintain long term, well paying, stable employment for the community.

We have a proven team that has developed and built plants that are currently operational. Our Stage 2 technology which is the cornerstone of a working WtE plant has been reviewed by the DOE and EPA.

http://www.eere.energy.gov/golden/ReadingRoom/NEPA/1862/Final_Environmental_Assessment.pdf
Pages 40 to 60 of the reports analyzed all sets of emissions and showed that we are extremely clean operation. In addition, an independent 3rd party engineering firm reviewed the pyrolysis unit also to ensure operational efficiency to obtain 484 BTU syngas rating.

Our team also has all of the insurances required by the R-Board for protection of the Board, county and city. In addition, we also cover catastrophic business interruption.

We are ready to start the development of the project immediately upon execution of the landfill agreement. The yearlong process to secure a signed and executed PPA enables our team to start immediately after the project is awarded. Our team looks forward to entering into the negotiations and finalizing the landfill agreement. If you have any questions regarding our proposal please feel free to contact us.

Thank You

Joseph D. Yavorski

Joseph Yavorski
Managing Partner
Energy Extraction Partners LLC
303-250-1611
jyavorski@creative-energy-sys.com

Appendix A: Notice of Proprietary Information Form

Confidentiality References Protection in Accordance with the Code of Virginia, Section 2.2-4342.

Reason Code Definitions from the RFP

1. *This page contains information relating to "trade secrets", and "proprietary information" including processes. Operations, style of work, or apparatus Identify confidential statistical data. Amount or source of any income...of any person (or) partnership. "See Virginia Public Procurement Act. Section 2.2-4342. Unauthorized disclosure of such information would violate the Trade Secrets Act 18 U.S.C. 1905.*
2. *This page contains proprietary information including confidential, commercial or financial information which was provided to the Government on a voluntary basis and is of the type that would not customarily release to the public. See Virginia Public Procurement Act, Section 2.2-4342; 5 U.S.C. 552 (b) (4); 12 C.F.R 309.5(c) (4).*
3. *This page contains proprietary information including confidential, commercial or financial information. The disclosure of such information would cause substantial harm to competitive position and impair the Government's ability to obtain necessary information from contractors in the future. 5 U.S.C. See Virginia Public Procurement Act. Section 2.2-4342; 552 (b) (4); 12 C. F. R 309.5(c) (4).*

All Proprietary information has been moved to the Appendixes. The table below lists those appendixes that will be removed from our redacted version.

Section Title	Title	Reason Code	Reason(s) for Withholding from Disclosure
Appendix B	Reference List	2	This Appendix contains names of personnel as reference that carry government security clearances and thus should not be disclosed to the public.
Appendix F	Technical Partners	1, 2, 3	Section 2: Technical Overview describes the entire process. All of the specific vendors that we will use, along with the website for their products has been moved to the Appendix. CES has 3 years of trade studies, travel and engineering time invested in the down select of our vendors and if a competitor is able to get the vendor list it would allow them to duplicate our work. We view this as technical proprietary data for CES.
Appendix G	Stafford Facility Layout	1, 2, 3	Section 2: Technical Overview describes the entire process. This appendix provides the layout of the facility we will build. This is the same facility layout we are building at multiple sites and therefore is a CES engineering artifact. It should be viewed as technical proprietary data.
Appendix M	Energy Extraction Partners Estimated	1, 2, 3	This lays out the financial costs per Stages. CES and EEP view this as financial proprietary data.

Section Title	Title	Reason Code	Reason(s) for Withholding from Disclosure
Appendix O	Draft Landfill Agreement	1, 2, 3	EEP has provided a sample contract that is based on the same agreement that was signed with Otero County Landfill. Upon executing this contract with the R-Board the contract can be made a matter of public record if so desired but we wish to keep it proprietary until then, in the event that we are not selected to build and operate a WtE plant.
Appendix Q	Fully Executed PPA	1, 2, 3	This is our fully executed PPA with Dominion Power. It is a contract between a private held company (EEP) and a publicly traded company (Dominion Power). It contains pricing data and terms of the agreement.

Appendix C: Small and Minority Business Enterprises

The Stafford County Procurement Code and relevant Federal and State Laws, Orders and Regulations, require the County of Stafford to ensure that its procurement practices are non-discriminatory and promote equality of opportunity for Small and Minority Business Enterprises.

Definitions:

1. Small Business:

   For the purposes of this document a Small Business concern is one which, regardless of ownership or control:

   (a) does not exceed two-hundred and fifty (250) employees.; or
   (b) gross annual income does not exceed ten (10) million dollars; or
   (c) is independently owned and operated (not subsidiary of another firm).

2. Minority Business:

   A business entity which is operated and controlled by a minority.

   (a) The terms "operated and controlled" shall mean that the managerial and official staff of this entity shall be comprised of minority persons, sufficient in ratio and gross earnings to demonstrate that the business transactions are, in fact, controlled by minority persons; and that the primary power, direct or indirect, to influence the management of this entity shall rest with minority persons or a corporation, partnership, or sole proprietorship in which minority persons collectively own, operate, control and share in earning of fifty one percent (51%) or more of such an enterprise.

   (b) A minority person shall mean Black, Hispanic; Asian or Pacific Islanders; American Indian or Alaskan Native; and women, regardless of races or ethnicity.

PLEASE CHECK THE FOLLOWING INFORMATION RELEVANT TO YOUR FIRM:

Minority Business Firm: Yes __ No X

Small Business Firm: Yes X No __

The above information is requested for statistical purposes only. All firms tendering responses will receive equal consideration for award.

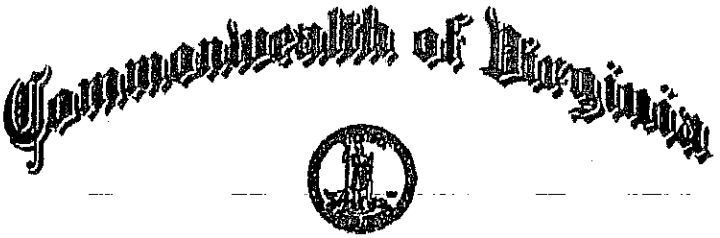
CONTACT FOR ADMINISTRATION:

NAME: Cheryl Stacy

ADDRESS (OFFICE): 8520 Spruce Mountain Rd. Ste 103 Larkspur, CO 80118

TELEPHONE (OFFICE): 303-250-1611

Appendix D: Proof of Authority to Transact Business in Virginia



STATE CORPORATION COMMISSION

Richmond, October 18, 2012

This certificate of registration to transact business in Virginia is this day issued for

Energy Extraction Partners LLC

a limited liability company organized under the laws of WYOMING and the said company is authorized to transact business in Virginia, subject to all Virginia laws applicable to the company and its business.

State Corporation Commission
Attest:

Joel H. Peck
Clerk of the Commission

CIS0368

Appendix E: W-9 Form

Form **W-9** (Rev. December 2011) Department of the Treasury Internal Revenue Service

Request for Taxpayer Identification Number and Certification

Give Form to the requester. Do not send to the IRS.

Print or type See Specific Instructions on page 2.

Name (as shown on your income tax return)
Energy Extraction Partners LLC

Business name/disregarded entity name, if different from above

Check appropriate box for federal tax classification:
☐ Individual/sole proprietor ☐ C Corporation ☐ S Corporation ☐ Partnership ☐ Trust/estate

☑ Limited liability company. Enter the tax classification (C=C corporation, S=S corporation, P=partnership) ▶ P ☐ Exempt payee

☐ Other (see instructions) ▶

Address (number, street, and apt. or suite no.)
8520 Spruce Mountain RD Ste 102

Requester's name and address (optional)

City, state, and ZIP code
Larkspur, CO 80118

List account number(s) here (optional)

Part I Taxpayer Identification Number (TIN)

Enter your TIN in the appropriate box. The TIN provided must match the name given on the "Name" line to avoid backup withholding. For individuals, this is your social security number (SSN). However, for a resident alien, sole proprietor, or disregarded entity, see the Part I instructions on page 3. For other entities, it is your employer identification number (EIN). If you do not have a number, see How to get a TIN on page 3.

Note. If the account is in more than one name, see the chart on page 4 for guidelines on whose number to enter.

Social security number: ___ - ___ - ___

Employer identification number: 3 7 - 1 5 6 8 2 5 8

Part II Certification

Under penalties of perjury, I certify that:

1. The number shown on this form is my correct taxpayer identification number (or I am waiting for a number to be issued to me), and
2. I am not subject to backup withholding because: (a) I am exempt from backup withholding, or (b) I have not been notified by the Internal Revenue Service (IRS) that I am subject to backup withholding as a result of a failure to report all interest or dividends, or (c) the IRS has notified me that I am no longer subject to backup withholding, and
3. I am a U.S. citizen or other U.S. person (defined below).

Certification instructions. You must cross out item 2 above if you have been notified by the IRS that you are currently subject to backup withholding because you have failed to report all interest and dividends on your tax return. For real estate transactions, item 2 does not apply. For mortgage interest paid, acquisition or abandonment of secured property, cancellation of debt, contributions to an individual retirement arrangement (IRA), and generally, payments other than interest and dividends, you are not required to sign the certification, but you must provide your correct TIN. See the instructions on page 4.

Sign Here — Signature of U.S. person ▶ Joseph Yavorski Date ▶ 10/10/2012

General Instructions

Section references are to the Internal Revenue Code unless otherwise noted.

Purpose of Form

A person who is required to file an information return with the IRS must obtain your correct taxpayer identification number (TIN) to report, for example, income paid to you, real estate transactions, mortgage interest you paid, acquisition or abandonment of secured property, cancellation of debt, or contributions you made to an IRA.

Use Form W-9 only if you are a U.S. person (including a resident alien), to provide your correct TIN to the person requesting it (the requester) and, when applicable, to:

1. Certify that the TIN you are giving is correct (or you are waiting for a number to be issued),
2. Certify that you are not subject to backup withholding, or
3. Claim exemption from backup withholding if you are a U.S. exempt payee. If applicable, you are also certifying that as a U.S. person, your allocable share of any partnership income from a U.S. trade or business is not subject to the withholding tax on foreign partners' share of effectively connected income.

Note. If a requester gives you a form other than Form W-9 to request your TIN, you must use the requester's form if it is substantially similar to this Form W-9.

Definition of a U.S. person. For federal tax purposes, you are considered a U.S. person if you are:

- An individual who is a U.S. citizen or U.S. resident alien,
- A partnership, corporation, company, or association created or organized in the United States or under the laws of the United States,
- An estate (other than a foreign estate), or
- A domestic trust (as defined in Regulations section 301.7701-7).

Special rules for partnerships. Partnerships that conduct a trade or business in the United States are generally required to pay a withholding tax on any foreign partners' share of income from such business. Further, in certain cases where a Form W-9 has not been received, a partnership is required to presume that a partner is a foreign person, and pay the withholding tax. Therefore, if you are a U.S. person that is a partner in a partnership conducting a trade or business in the United States, provide Form W-9 to the partnership to establish your U.S. status and avoid withholding on your share of partnership income.

Cat. No. 10231X Form **W-9** (Rev. 12-2011)

Appendix H: Adjusted Budget with EEP Operations

Dept / Div	Description	FY 2013 Original Budget	*Adjusted Budget*	*Adjusted Budget With EEP in operation*	*Savings*	*Rationale for the Decrease*
504.10-01	Salaries-Regular	$1,265,319.00	$1,265,319.00	$1,054,432.50	$210,886.50	
504.10-02	Salaries-Overtime	$85,000.00	$85,000.00	$70,833.33	$14,166.67	
504.10-03	Salaries-Part Time	$0.00	$0.00	$0.00	$0.00	
504.21-01	Social Security/Medicare	$96,799.00	$96,799.00	$80,665.83	$16,133.17	There are 30 employees working at the Landfill. Most are drivers to pick up recyclables, remote containers or litter patrol. That said we feel that our process would save on personnel compacting the trash; mechanics repairing of the equipment and miscellaneous landfill support. Thus we used 8 total people effected by our process. We feel 5 personnel could be eliminated. Note: We would look to see if they would want to join EEP. The average salary is $42,177.30 (divide Salaries by 30 people). Thus providing the savings.
504.22-10	VRS	$206,877.00	$206,877.00	$172,397.50	$34,479.50	
504.23-01	Anthem	$355,273.00	$355,273.00	$296,060.83	$59,212.17	
504.23-03	Opt-Out	$1,800.00	$1,800.00	$1,500.00	$300.00	
504.24-01	Life Insurance	$16,702.00	$16,702.00	$13,918.33	$2,783.67	
504.25-01	Unemployment	$12,000.00	$12,000.00	$10,000.00	$2,000.00	
504.26-10	Flex Account Fees	$0.00	$0.00	$0.00	$0.00	
504.27-20	Workers Compensation	$53,109.00	$53,109.00	$44,257.50	$8,851.50	
504.28-05	Chg Post-retiremt Benefit	$144,000.00	$144,000.00	$120,000.00	$24,000.00	
	Sub-Total Compensation	$2,236,879.00	$2,236,879.00	$1,864,065.83	$372,813.17	
504.28-09	License/Certifications	$2,500.00	$2,500.00	$2,500.00	$0.00	
504.28-20	Education/Tuition Assist	$3,000.00	$3,000.00	$3,000.00	$0.00	
504.31-08	Physical Exams	$2,000.00	$2,000.00	$2,000.00	$0.00	
504.31-20	Audit Fee's	$10,600.00	$10,600.00	$10,600.00	$0.00	
504.31-30	Management Services	$300,000.00	$347,382.00	$104,214.60	$243,167.40	Because of the reduction in Landfill activity the need for consulting engineers to provide engineering support would be reduced. We assume by 70% since we will be eliminating about 90% of the waste stream for you. The portion you would have to deal with will be pelletized and thus easier to handle.
504.31-44	Environmental Monitoring	$150,000.00	$163,150.00	$163,150.00	$0.00	
504.31-50	Legal	$18,000.00	$19,000.00	$19,000.00	$0.00	
504.31-52	Filing Fee's	$25,800.00	$25,800.00	$25,800.00	$0.00	
504.31-63	Cleaning Services	$2,500.00	$2,500.00	$2,500.00	$0.00	
504.31-68	Tire Disposal	$70,000.00	$78,629.00	$0.00	$78,629.00	All tires would be taken by our process so you will not have any disposal fee.
	Sub-Total Purchased Services	$584,400.00	$654,561.00	$332,764.60	$321,796.40	
504.32-10	Temp Agencies	$3,500.00	$3,500.00	$3,500.00	$0.00	
	Sub-Total Temporary Help	$3,500.00	$3,500.00	$3,500.00	$0.00	
504.33-08	Facilities-Buildings	$15,000.00	$15,000.00	$15,000.00	$0.00	
504.33-10	Repairs & Maintenance	$200,000.00	$200,020.00	$100,010.00	$100,010.00	This area is for the parts used to fix machinery used at the landfill. Because there will be a extreme reduction in the compaction process the amount of spare parts required will be substantially reduced We went with 50% reduction since 90% of the waste stream is eliminated but some of the equipment is older.
504.33-20	Contracts	$15,000.00	$16,386.00	$16,386.00	$0.00	
	Sub-Total Maintenance Svcs	$230,000.00	$231,406.00	$131,396.00	$100,010.00	

Dept / Div	Description	Original Budget	Adjusted Budget	Adjusted Budget With EEP In operation	Savings	Rationale For the Decrease
		FY 2013				
504.34-05	Transportation	$1,500.00	$1,500.00	$1,500.00	$0.00	
504.35-01	Printing & Binding	$3,000.00	$3,000.00	$3,000.00	$0.00	
504.36-10	Employment Advertising	0.00	0.00	$0.00	$0.00	
504.36 12	Other	$2,000.00	$2,000.00	$2,000.00	$0.00	
504.39 10	Litter Control	$20,000.00	$20,000.00	$20,000.00	$0.00	
	Sub-Total Advertising	$26,500.00	$26,500.00	$26,500.00	$0.00	
504.40-07	Admin Charges-Fiscal Agnt	$246,423.00	$246,423.00	$246,423.00	$0.00	
	Sub-Total Internal Services	$246,423.00	$246,423.00	$246,423.00	$0.00	
504.51-10	Electrical	$16,000.00	$16,000.00	$16,000.00	$0.00	
504.51-30	Water & Sewer	$2,500.00	$2,500.00	$2,500.00	$0.00	
	Sub-Total Other Charges	$18,500.00	$18,500.00	$18,500.00	$0.00	
504.52-10	Postage	$400.00	$400.00	$400.00	$0.00	
504.52-30	Phone	$18,000.00	$18,000.00	$18,000.00	$0.00	
504.52-31	Mobile Phones	$18,500.00	$18,500.00	$18,500.00	$0.00	
504.52-38	VOIP Egp Billing	$15,100.00	$15,100.00	$15,100.00	$0.00	
	Sub-total Communications	$52,000.00	$52,000.00	$52,000.00	$0.00	
504.53-04	Property Insurance	$33,950.00	$33,950.00	$33,950.00	$0.00	
504.53-05	Motor Vehicle Insurance	$18,000.00	$18,000.00	$18,000.00	$0.00	
	Sub-Total Insurance	$51,950.00	$51,950.00	$51,950.00	$0.00	
504.54-10	Equipment Rental	$10,000.00	$10,000.00	$10,000.00	$0.00	
504.54-20	Building or Office Rent	$35,000.00	$35,000.00	$35,000.00	$0.00	
	Sub-Total Lease & Rentals	$45,000.00	$45,000.00	$45,000.00	$0.00	
504.55-10	Mileage/Parking/Tolls	$1,000.00	$1,000.00	$1,000.00	$0.00	
504.55-40	Seminars & Conferences	$3,000.00	$3,000.00	$3,000.00	$0.00	
504.55-41	Meeting Expenses	$3,000.00	$3,000.00	$3,000.00	$0.00	
	Sub-Total Travel	$7,000.00	$7,000.00	$7,000.00	$0.00	
504.58-01	Dues & Membership	$2,000.00	$2,000.00	$2,000.00	$0.00	
504.58-02	Contingency-General	$125,000.00	$125,000.00	$125,000.00	$0.00	
504.58-98	Post Closure/Closure Costs	$0.00	$0.00	$0.00	$0.00	
	Sub-Total Miscellaneous	$127,000.00	$127,000.00	$127,000.00	$0.00	
504.60-01	Office	$6,000.00	$6,000.00	$6,000.00	$0.00	
504.60-03	Agricultural-Lawn Care	$3,000.00	$3,000.00	$3,000.00	$0.00	
504.60-05	Custodial-Janitorial	$13,000.00	$13,000.00	$13,000.00	$0.00	
504.60-07	Repairs & Maintenance	$250,000.00	$255,214.00	$255,214.00	$0.00	
504.60-08	Vehicle Fuels	$330,000.00	$330,000.00	$300,000.00	$30,000.00	There is less activity at the landfill for vehicles and no more recyclable trucks and thus the fuel cost will decrease. That said fuel use will only be tied to the running of the heavy equipment on the landfill site and the daily trash clean up crews. Daily fuel cost of running the compactor takes 80 gallons a day at $4/gal = $17,000 annually. Looking to save on 2 pieces of equipment usage or $30,000 in yearly savings.
504.60-11	Uniform & Wearing Apparel	$11,000.00	$11,000.00	$11,000.00	$0.00	
504.60-12	Books/Subscrptns/Sf Media	$1,000.00	$1,000.00	$1,000.00	$0.00	
504.60-14	Operating	$2,500.00	$2,500.00	$2,500.00	$0.00	
504.60-20	Vehicle Parts & Tires	$35,000.00	$35,000.00	$35,000.00	$0.00	
	Sub-Total Supplies	$651,500.00	$656,714.00	$626,714.00	$30,000.00	
504.60-31	Machinery & Equipment	$10,000.00	$10,000.00	$10,000.00	$0.00	
504.60-32	Furniture & Fixtures	$2,500.00	$2,500.00	$2,500.00	$0.00	
504.60-33	Communications Equipment	$500.00	$500.00	$500.00	$0.00	
504.60-34	Computer Equipment	$1,500.00	$1,500.00	$1,500.00	$0.00	
504.60-47	Site Improvements	$50,000.00	$50,000.00	$50,000.00	$0.00	
504.60-99	Miscellaneous	$0.00	$0.00	$0.00	$0.00	
	Sub-Total Small Fixed Assets	$64,500.00	$64,500.00	$64,500.00	$0.00	
504.81-01	Machinery & Equipment	$315,000.00	$315,000.00	$157,500.00	$157,500.00	This account deals with major equipment overhaul budgets Because of the deep reduction of equipment hours the account can be reduced. I estimated by 50%. Ex. Complete overhaul of dozer could be eliminated our moved out to future years.
504.81-03	Communications Equipment	$0.00	$0.00	$0.00	$0.00	
504.81-05	Motor Vehicle & Equipment	$0.00	$0.00	$0.00	$0.00	
504-82-01	Machinery & Equipment	$18,000.00	$18,000.00	$18,000.00	$0.00	
504.82-11	Improvements to Site	$127,000.00	$2,480,678.00	$2,480,678.00	$0.00	
	Sub-Total Capital Outlay	$460,000.00	$2,813,678.00	$2,656,178.00	$157,500.00	
	Total Landfill Operations	$4,805,152.00	$7,235,611.00	$6,253,491.43	$982,119.57	

Appendix I: Adjusted Budget with EEP Operations Performing Recyclables Instead of the R-Board

Dept / Div	Description	FY 2013 Original Budget	Adjusted Budget	Adjusted Budget With EEP in operation	Savings	Rationale For the Decrease
504.10-01	Salaries-Regular	$1,265,319.00	$1,265,319.00	$927,900.60	$337,418.40	
504.10-02	Salaries-Overtime	$85,000.00	$85,000.00	$62,333.33	$22,666.67	
504-10-03	Salaries-Part Time	$0.00	$0.00	$0.00	$0.00	
504.21-01	Social Security/Medicare	$96,799.00	$96,799.00	$70,985.93	$25,813.07	There are 30 employees working at the Landfill Most are drivers to pick up recyclables, remote containers or litter patrol If through education we had Stafford eliminate the recyclable pick ups and we pulled it out the recyables at processing point it would substantially reduce costs, employee injuries but also reduce revenue for Stafford This shows the cost would be reduced for greater then the revenue Thus we used 8 total people affected by our process We feel 22 personnel could run the landfill Note We would look to see if they would want to join EEP.. The average salary is $42,177 30 (divide Salaries by 30 people) Thus providing the savings
504.22-10	VRS	$206,877.00	$206,877.00	$151,709.80	$55,167.20	
504.23-01	Anthem	$355,273.00	$355,273.00	$260,533.53	$94,739.47	
504.23-03	Opt-Out	$1,800.00	$1,800.00	$1,320.00	$480.00	
504.24-01	Life Insurance	$16,702.00	$16,702.00	$12,248.13	$4,453.87	
504.25-01	Unemployment	$12,000.00	$12,000.00	$8,800.00	$3,200.00	
504.26-10	Flex Account Fees	$0.00	$0.00	$0.00	$0.00	
504.27-20	Workers Compensation	$53,109.00	$53,109.00	$38,946.60	$14,162.40	
504.28-05	Chg. Post-retiremt Benefit	$144,000.00	$144,000.00	$105,600.00	$38,400.00	
	Sub-Total Compensation	$2,236,879.00	$2,236,879.00	$1,640,377.93	$596,501.07	
504.28-09	License/Certifications	$2,500.00	$2,500.00	$2,500.00	$0.00	
504.28-20	Education/Tuition Assist	$3,000.00	$3,000.00	$3,000.00	$0.00	
504.31-08	Physical Exams	$2,000.00	$2,000.00	$2,000.00	$0.00	
504.31-20	Audit Fee's	$10,600.00	$10,600.00	$10,600.00	$0.00	
504.31-30	Management Services	$300,000.00	$347,382.00	$104,214.60	$243,167.40	Because of the reduction in Landfill activity the need for consulting engineers to provide engineering support would be reduced We assume by 70% since we will be eliminating about 90% of the waste stream for you The portion you would have to deal with will be pelletized and thus easier to handle
504.31-44	Environmental Monitoring	$150,000.00	$163,150.00	$163,150.00	$0.00	
504.31-50	Legal	$18,000.00	$19,000.00	$19,000.00	$0.00	
504.31-52	Filing Fee's	$25,800.00	$25,800.00	$25,800.00	$0.00	
504.31-53	Cleaning Services	$2,500.00	$2,500.00	$2,500.00	$0.00	
504.31-68	Tire Disposal	$70,000.00	$78,629.00	$0.00	$78,629.00	All tires would be taken by our process so you will not have any disposal fee
	Sub-Total Purchased Services	$584,400.00	$654,561.00	$332,764.60	$321,796.40	
504.32-10	Temp Agencies	$3,500.00	$3,500.00	$3,500.00	$0.00	
	Sub-Total Temporary Help	$3,500.00	$3,500.00	$3,500.00	$0.00	
504.33-09	Facilities-Buildings	$15,000.00	$15,000.00	$15,000.00	$0.00	
504.33-10	Repairs & Maintenance	$200,000.00	$200,020.00	$50,005.00	$150,015.00	This area is for the parts used to fix machinery used at the landfill Because there will be a extreme reduction in the compaction process and the amount of trucks on the road picking up recycling the amount of spare parts required will be substantially reduced We went with 75% reduction since 90% of the waste stream is eliminated but some of the equipment is older
504.33-20	Contracts	$15,000.00	$16,386.00	$16,386.00	$0.00	
	Sub-Total Maintenance Svcs	$230,000.00	$231,406.00	$81,391.00	$150,015.00	

Dept / Div	Description	FY 2013 Original Budget	Adjusted Budget	Adjusted Budget With EEP in operation	Savings	Rationale For the Decrease
504.34-05	Transportation	$1,500.00	$1,500.00	$1,500.00	$0.00	
504.35-01	Printing & Binding	$3,000.00	$3,000.00	$3,000.00	$0.00	
504.36-10	Employment Advertising	0.00	0.00	$0.00	$0.00	
504.36 12	Other	$2,000.00	$2,000.00	$2,000.00	$0.00	
504.39-10	Litter Control	$20,000.00	$20,000.00	$20,000.00	$0.00	
	Sub-Total Advertising	$26,500.00	$26,500.00	$26,500.00	$0.00	
504.40-07	Admin Charges-Fiscal Agnt	$246,423.00	$246,423.00	$246,423.00	$0.00	
	Sub-Total Internal Services	$246,423.00	$246,423.00	$246,423.00	$0.00	
504.51-10	Electrical	$16,000.00	$16,000.00	$16,000.00	$0.00	
504.51-30	Water & Sewer	$2,500.00	$2,500.00	$2,500.00	$0.00	
	Sub-Total Other Charges	$18,500.00	$18,500.00	$18,500.00	$0.00	
504.52-10	Postage	$400.00	$400.00	$400.00	$0.00	
504.52-30	Phone	$18,000.00	$18,000.00	$18,000.00	$0.00	
504.52-31	Mobile Phones	$18,500.00	$18,500.00	$18,500.00	$0.00	
504.52-38	VOIP Egp Billing	$15,100.00	$15,100.00	$15,100.00	$0.00	
	Sub-total Communications	$52,000.00	$52,000.00	$52,000.00	$0.00	
504.53-04	Property Insurance	$33,950.00	$33,950.00	$33,950.00	$0.00	
504.53-05	Motor Vehicle Insurance	$18,000.00	$18,000.00	$18,000.00	$0.00	
	Sub-Total Insurance	$51,950.00	$51,950.00	$51,950.00	$0.00	
504.54-10	Equipment Rental	$10,000.00	$10,000.00	$10,000.00	$0.00	
504.54-20	Building or Office Rent	$35,000.00	$35,000.00	$35,000.00	$0.00	
	Sub-Total Leases & Rentals	$45,000.00	$45,000.00	$45,000.00	$0.00	
504.55-10	Mileage/Parking/Tolls	$1,000.00	$1,000.00	$1,000.00	$0.00	
504.55-40	Seminars & Conferences	$3,000.00	$3,000.00	$3,000.00	$0.00	
504.55-41	Meeting Expenses	$3,000.00	$3,000.00	$3,000.00	$0.00	
	Sub-Total Travel	$7,000.00	$7,000.00	$7,000.00	$0.00	
504.58-01	Dues & Membership	$2,000.00	$2,000.00	$2,000.00	$0.00	
504.58-02	Contingency-General	$125,000.00	$125,000.00	$125,000.00	$0.00	
504.58-98	Post Closure/Closure Costs	$0.00	$0.00	$0.00	$0.00	
	Sub-Total Miscellaneous	$127,000.00	$127,000.00	$127,000.00	$0.00	
504.60-01	Office	$6,000.00	$6,000.00	$6,000.00	$0.00	
504.60-03	Agricultural-Lawn Care	$3,000.00	$3,000.00	$3,000.00	$0.00	
504.60-05	Custodial-Janitorial	$13,000.00	$13,000.00	$13,000.00	$0.00	
504.60-07	Repairs & Maintenance	$250,000.00	$255,214.00	$255,214.00	$0.00	
504.60-08	Vehicle Fuels	$330,000.00	$330,000.00	$165,000.00	$165,000.00	There is less activity at the landfill for vehicles and no more recyclable trucks and thus the fuel cost wil decrease. That said fuel use will only be tied to the running of the heavy equipment on the landfill site and the daily trash clean up crews. Daily fuel cost of running the compactor takes 80 gallons a day at $4/gal = $17,000 annually. Also since we are doing the recycling only the clean up crews are required so we estimate 50% savings on this side also
504.60-11	Uniform & Wearing Apparel	$11,000.00	$11,000.00	$11,000.00	$0.00	
504.60-12	Books/Subscrptns/Sf Media	$1,000.00	$1,000.00	$1,000.00	$0.00	
504.60-14	Operating	$2,500.00	$2,500.00	$2,500.00	$0.00	
504.60-20	Vehicle Parts & Tires	$35,000.00	$35,000.00	$35,000.00	$0.00	
	Sub-Total Stipplies	$651,500.00	$656,714.00	$491,714.00	$165,000.00	
504.60-31	Machinery & Equipment	$10,000.00	$10,000.00	$10,000.00	$0.00	
504.60-32	Furniture & Fixtures	$2,500.00	$2,500.00	$2,500.00	$0.00	
504.60-33	Communications Equipment	$500.00	$500.00	$500.00	$0.00	
504.60-34	Computer Equipment	$1,500.00	$1,500.00	$1,500.00	$0.00	
504.60-47	Site Improvements	$50,000.00	$50,000.00	$50,000.00	$0.00	
504.60-99	Miscellaneous	$0.00	$0.00	$0.00	$0.00	
	Sub-Total Small Fixed Assets	$64,500.00	$64,500.00	$64,500.00	$0.00	
504.81-01	Machinery & Equipment	$315,000.00	$315,000.00	$157,500.00	$157,500.00	This account deals with major equipment overhaul budgets. Because of the deep reduction of equipment hours the account can be reduced. I estimated by 50%. Ex. Complete overhaul of dozer could be eliminated our moved out to future years.
504.81-03	Communications Equipment	$0.00	$0.00	$0.00	$0.00	
504.81-05	Motor Vehicle & Equipment	$0.00	$0.00	$0.00	$0.00	
504-82-01	Machinery & Equipment	$18,000.00	$18,000.00	$18,000.00	$0.00	
504.82-11	Improvements to Site	$127,000.00	$2,480,678.00	$2,480,678.00	$0.00	
	Sub-Total Capital Outlay	$460,000.00	$2,813,678.00	$2,656,178.00	$157,500.00	
	Total Landfill Operations	$4,805,152.00	$7,235,611.00	$5,844,798.53	$1,390,812.47	

Appendix J: Cross Reference Abstract

This Appendix lists the RFP requirements and the section that this requirement is addressed

Item	Reference Number	Requirement	Proposal Response Section
EC	IV.1	Ability of the Offeror to provide the technology, to deliver the project on schedule, and to financially be able to ensure that the project can continue throughout the contract.	3.1; 3.2; 4.3; 5.5; 6.2.1-6.2.9
EC	IV.2	The benefits of the proposed technology to the County and City.	4.1.1; 4.1.2
EC	IV.3	The proposed terms of the lease, purchase, and/or revenue sharing, including payment terms and the amount of MSW proposed to be diverted each day.	5.5
EC	IV.4	The environmental, noise, and odor and other issues that are associated with the technology and how they are addressed.	2.1; 6.2; 6.2.1-6.2.9
EC	IV.5	The schedule of implementation and length of Contract.	3.2;
EC	IV.6	References, including current contracts.	1.3.3
SOP	III. 1.a	Years in business	1.1
SOP	III. 1.b	Names of the officers and directors.	1.1; 1.2
SOP	III. 1.c	Other MSW projects or relevant projects.	1.3.2
SOP	III. 1.d	Financial information.	1.3.1
SOP	III. 1.e	Any Joint Ventures indicate all parties involved to include the same information.	1.1; 1.2
SOP	III.2	Explanation of the proposed Technology. Include any other contracts with local governments within the United States that use this technology. Provide copies of any contracts with an explanation of the end market product and specific technology.	2.1-2.4; 6.1
SOP	III.3	Schedule of Implementation	3.1; 3.2
SOP	III.4	An estimated projected cost of the facility being constructed.	4.2
SOP	III.5.a	Permitting.	6.1
SOP	III.5.b	Capital to construct the system.	5.1
SOP	III.5.c	Working capital to operate the facility during start-up and operational ramp up until facility revenue stream is generated.	5.1
SOP	III.5.d	Primary and Secondary source of waste.	5.2
SOP	III.5.e	Primary and Secondary source of energy revenues.	5.3
SOP	III.6	List of local, state, and federal permits needed to begin operation.	6.2; 6.2.1-6.2.9

Item	Reference Number	Requirement	Proposal Response Section
SOP	III.7	Statement of the amount of MSW would be able to take each day and what would occur if the amount was not met. The R-Board cannot guarantee any amount of MSW.	4.1.1; 5.2
SOP	III.8	How long would the company propose to contract with the R-Board.	3.1
SOP	III.9	A statement as to the anticipated noise level from the operation and whether any odors from the operation will ensue and how will these issues be addressed.	2.1; 6.2.7; 6.2.8
SOP	III.10	Statement on the size of property required.	2.1
SOP	III.10	Proposed payment to the R-Board for the purchase or lease of the property.	4
SOP	III.11	Statement as to how the proposed operation would affect the existing revenue stream at the landfill. Include all tipping fees and sales of recycled materials and state as whether the firm proposes to share any revenue generated by the sale of the end product with the R-Board.	4.1.2
SOP	III.12	A statement as to how the R-Board will be protected from the company going out of business or otherwise breaching the contract, such as letters of credit, bonds or other financing instruments	5.5
SOP	III.13	An explanation as to the timeframe in which the company would market the end product of the process.	3.1; 4.1.2
SOP	III.14	An estimate of how many persons will be employed at the facility, value of the building, value of the machinery and tools in the building in order for the R-Board to estimate the tax revenue from the project.	5.4
SOP	III.15	Address and economic incentives such as job creation.	5.4

Appendix K: Warrants and Statements

This Appendix lists the Warrants and statements with EEP response

#	RFP Section	Warrants and Statements	Contractor Response
1	VI.1	Contingent Fee Warranty: The Contractor warrants that it has not employed or retained any person or persons not generally associated with Contractor for the purpose of soliciting or securing this agreement. The Contractor further warrants that it has not paid or agreed to pay any company or person any fee, commission, percentage, brokerage fee, gift or any other consideration contingent upon the award or making of this agreement. For breach of one or both of the foregoing warranties, the Owner shall have the right to terminate this agreement without liability, or in its discretion, to deduct from the agreed fee, payment or consideration, or otherwise recover, the full amount of said prohibited fee, commission, percentage, brokerage fee, gift or contingent fee.	Agree EEP response is solely from our members (JV Team plus Vendors)
2	VI.2	Insurance: By signing and submitting a Proposal under this solicitation, the Offeror certifies that if awarded the Contract, it will have the insurance coverage specified at the time work commences. Additionally, the Offeror certifies that it will maintain all required insurance coverage during the entire term of the Contract and that all insurance coverage will be provided by insurance companies authorized to sell insurance in Virginia by the Virginia State Corporation Commission.	Agree; our insurance is provided through International Risk Group (IRG) who insures all of our projects. They are multi-billion dollar firm who have done clean up on major sites including Lowry Air Force Base.
3	VI.3	Authority to bind Contractor in Contract: Proposals must give full name and address of Offeror. The person signing the Proposal should show title or authority to bind his Contractor in the Contract. Contractor name and authorized signature must appear on the Proposal in the space provided.	Joe Yavorski is the signature authority. He is a managing member of Energy Funding Partner (provider of the equity); CEO of CES which is the majority owner in the EEP LLC JV.
4	VI.4	Severability: In the event any provision shall be adjudged or decreed to be invalid, such ruling shall not invalidate the entire Agreement but shall pertain only to the provision in question and the remaining provisions shall continue to be valid, binding and in full force and effect.	Agree
5	VI.5	Performance: Unacceptable Performance – The Owner reserves the right to inspect all operations and to withhold payment for any work not performed to or performed not in accordance with specifications/Contract documents. Payments withheld for unsatisfactory performance may be released upon receipt of satisfactory evidence that the work has been corrected to the Owner's satisfaction. These corrections shall be at no cost to the Owner. Contractor shall correct deficiencies within twenty- four (24) hours of notice by telephone or in writing. Failure to	Agree

#	RFP Section	Warrants and Statements	Contractor Response
		do so shall be cause for withholding of payment for the service and may result in default action.	
6	Part I #7	Vendor Declaration - The Vendor must state that its Proposal was made without connection with any other person, company, or parties making a similar Proposal and that it is in all respects fair and in good faith without collusion or fraud.	EEP LLC states that it meets this requirement.
7	Part I #9	Licensing Agreement - Any licensing agreement required by the Offeror must be fully described	None is required
8	Part 2 #2	Subcontractors - The firm shall identify all proposed Subcontractors who will be furnishing services under the terms of his Proposal. Subcontractors shall conform, in all respects, to the applicable provisions specified for the prime Contractor and shall further be subject to approval by the R-Board	Vendors will be working to supply the machinery. All operations of the plant will be done by EEP.
9	Part 2 #4	User List- Offerors are required to furnish the issuing office with a list of all locations in local governments in Virginia and nearby states that are using the same service and the name, address, and telephone number of a contact person.	No other facility in VA uses pyrolysis. Covanta uses incineration which is a different process.
10	Part 2 #6	Any and all exceptions to the specification included in this RFP must be fully detailed and explained on a separate schedule outlined "Exceptions to RFP". Should the Offeror not indicate and explain all exceptions, his Proposal may be rejected.	There are no exceptions to this RFP.

Appendix L: EEP Build Out Schedule

ID	✓	Task Mode	Task Name	Duration	Start	Finish	Actual Finish	% Complete
1			Energy Extraction Partners	342 days?	Thu 7/19/12	Fri 11/8/13	NA	11%
2			Major Program Milestones	321 days?	Fri 8/17/12	Fri 11/8/13	NA	11%
3	✓		PPA Signed	1 day?	Fri 8/17/12	Fri 8/17/12	Fri 8/17/12	100%
4			Funding is released to Build EEP	1 day?	Tue 11/13/12	Tue 11/13/12	NA	0%
5			Landfill Agreement Signed	1 day?	Tue 12/11/12	Tue 12/11/12	NA	0%
6			All Permits completed	1 day?	Wed 8/28/13	Thu 8/29/13	NA	0%
7			Building occupancy granted	1 day?	Wed 9/4/13	Wed 9/4/13	NA	0%
8			Front End Equipment Installed and Tested	1 day?	Tue 9/3/13	Tue 9/3/13	NA	0%
9			Turbines and Pyrolysis Units installed and tested	1 day?	Fri 10/4/13	Fri 10/4/13	NA	0%
10			End to End Testing Completed	1 day?	Thu 11/7/13	Thu 11/7/13	NA	0%
11			Site Operational	1 day?	Fri 11/8/13	Fri 11/8/13	NA	0%
12			Agreements and Documents	103 days?	Thu 7/19/12	Mon 12/10/12	NA	66%
13			Funding	75 days	Thu 7/19/12	Wed 10/31/12	NA	82%
14	✓		Draw up final contract to move money	5 days	Thu 7/19/12	Wed 7/25/12	Wed 7/25/...	100%
15	✓		Validate SLS pool	8 days	Thu 7/26/12	Mon 8/6/12	Mon 8/6/12	100%
16	✓		Validate Proof of funds	8 days	Thu 7/26/12	Mon 8/6/12	Mon 8/6/12	100%
17	✓		Receive executed final PPA	1 day	Wed 8/15/12	Wed 8/15/12	Wed 8/15/...	100%
18	✓		SBLC executed	2 days	Thu 9/13/12	Fri 9/14/12	Fri 9/14/12	100%
19	✓		SBLC Listed	17 days	Mon 9/17/12	Tue 10/9/12	Tue 10/9/12	100%
20			Receive executed Landfill agreement	1 day	Wed 10/31/12	Wed 10/31/12	NA	0%
21			Schedule Transaction presented	4 days	Wed 10/10/12	Mon 10/15/12	NA	0%
22			Funds transferred into EFP bank account to start build out of EEP site	4 days	Tue 10/16/12	Fri 10/19/12	NA	0%

Project: EEP build out schedule
Date: Thu 10/11/12

Task	Inactive Milestone	Deadline			
Split	Inactive Summary	Baseline			
Milestone	Manual Task	Baseline Milestone			
Summary	Duration-only	Baseline Summary			
Project Summary	Manual Summary Rollup	Progress			
External Tasks	Manual Summary	Slippage			
External Milestone	Start-only				
Inactive Task	Finish-only				

Page 1

ID	Task Mode	Task Name	Duration	Start	Finish	Actual Finish	% Complete
23		Power Purchase Agreement	21 days?	Thu 7/19/12	Thu 8/16/12	Thu 8/16/12	100%
24		Provide Required Exhibits for PPA	4 days	Thu 7/19/12	Tue 7/24/12	Tue 7/24/12	100%
25		Prepare PPA	7 days	Thu 7/19/12	Fri 7/27/12	Fri 7/27/12	100%
26		Draft PPA reviewed by Dominion Lawyer for release to EEP	8 days	Mon 7/30/12	Wed 8/8/12	Wed 8/8/12	100%
27		EEP review draft PPA	2 days	Thu 8/9/12	Fri 8/10/12	Fri 8/10/12	100%
28		Provide redlines if required	2 days	Thu 8/9/12	Fri 8/10/12	Fri 8/10/12	100%
29		PPA sent back for Dominion to make final (in case of changes)	1 day	Mon 8/13/12	Mon 8/13/12	Mon 8/13/12	100%
30		Dominion updates based on redlines	1 day	Tue 8/14/12	Tue 8/14/12	Tue 8/14/12	100%
31		EEP signs PPA	1 day?	Wed 8/15/12	Wed 8/15/12	Wed 8/15/...	100%
32		Dominion Signs PPA	1 day?	Thu 8/16/12	Thu 8/16/12	Thu 8/16/12	100%
33		Landfill Agreement	103 days?	Thu 7/19/12	Mon 12/10/12	NA	47%
34		Send Otero County Landfill Agreement to RBACK	1 day	Thu 7/19/12	Thu 7/19/12	Thu 7/19/12	100%
35		Send Read Ahead Brief to Stafford County	8 days	Fri 7/20/12	Tue 7/31/12	Tue 7/31/12	100%
36		Brief RBACK board on final Agreement	1 day	Wed 8/15/12	Wed 8/15/12	Wed 8/15/...	100%
37		RBACK prepares RFQ for EEP to respond to	21 days	Thu 8/16/12	Thu 9/13/12	Thu 9/13/12	100%
38		RBACK releases RFQ	12 days	Fri 9/14/12	Mon 10/1/12	Mon 10/1/...	100%
39		EEP response to RFQ	19 days	Tue 10/2/12	Fri 10/26/12	NA	0%
40		EEP Submits Response to RFQ	1 day?	Wed 10/31/12	Wed 10/31/12	NA	0%
41		RBACK reviews RFQ and landfill agreement	15 days	Thu 11/1/12	Wed 11/21/12	NA	0%
42		RBACK negotiates final agreement	6 days	Thu 11/22/12	Thu 11/29/12	NA	0%
43		RBACK Board schedules special session to approve agreement	4 days	Fri 11/30/12	Wed 12/5/12	NA	0%

Project: EEP build out schedule
Date: Thu 10/11/12

Task		Inactive Milestone		Deadline	
Split		Inactive Summary		Baseline	
Milestone		Manual Task		Baseline Milestone	
Summary		Duration-only		Baseline Summary	
Project Summary		Manual Summary Rollup		Progress	
External Tasks		Manual Summary		Slippage	
External Milestone		Start-only			
Inactive Task		Finish-only			

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ID	Task Mode	Task Name	Duration	Start	Finish	Actual Finish	% Complete
44		RBACK Board Signs approved agreement	2 days	Thu 12/6/12	Fri 12/7/12	NA	0%
45		Signed Landfill agreement sent to Domino Power	1 day	Mon 12/10/12	Mon 12/10/12	NA	0%
46		Plant Build out	314 days?	Thu 7/19/12	Tue 10/1/13	NA	9%
47		Building	294 days?	Thu 7/19/12	Tue 9/3/13	NA	7%
48		Final Site building Plan Layout complete	20 days	Tue 10/30/12	Fri 12/14/12	NA	75%
49		Site building permit	31 days	Mon 12/17/12	Mon 1/28/13	NA	0%
50		Site Build out with 3 buildings 100 by 300 sq. ft.	133 days	Tue 1/29/13	Thu 8/1/13	NA	0%
51		Building inspection completed for occupancy	23 days	Fri 8/2/13	Tue 9/3/13	NA	0%
52		Update PPA with building schematic	1 day?	Thu 7/19/12	Thu 7/19/12	NA	0%
53		Permitting	260.2 days	Wed 8/29/12	Wed 8/28/13	NA	2%
54		Select VA Environmental group to work with our Environmental engineer	8 days	Tue 10/30/12	Wed 12/19/12	NA	30%
55		Air Quality Permitting	180 days	Wed 12/19/12	Wed 8/28/13	NA	0%
56		Hazardous Waste Management facility Permit	180 days	Wed 12/19/12	Wed 8/28/13	NA	0%
57		Hazardous Waste Transporter Permit	180 days	Wed 12/19/12	Wed 8/28/13	NA	0%
58		Solid Waste Incinerator and Energy Recovery Facility Permit	180 days	Wed 12/19/12	Wed 8/28/13	NA	0%
59		Materials Recovery Facility Permit	180 days	Wed 12/19/12	Wed 8/28/13	NA	0%
60		Solid Waste Experimental Facility Permit	180 days	Wed 12/19/12	Wed 8/28/13	NA	0%
61		Solid Waste Transfer Station Permit	180 days	Wed 12/19/12	Wed 8/28/13	NA	0%
62		Water Permit	180 days	Wed 12/19/12	Wed 8/28/13	NA	0%
63		Interconnection Study by Dominion for 20 MWe line	180 days	Wed 8/29/12	Tue 5/7/13	NA	15%

Project: EEP build out schedule
Date: Thu 10/11/12

Task	Inactive Milestone	Deadline	
Split	Inactive Summary	Baseline	
Milestone	Manual Task	Baseline Milestone	
Summary	Duration-only	Baseline Summary	
Project Summary	Manual Summary Rollup	Progress	
External Tasks	Manual Summary	Slippage	
External Milestone	Start-only		
Inactive Task	Finish-only		

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ID	Task Mode	Task Name	Duration	Start	Finish	Actual Finish	% Complete
64		Equipment	314 days?	Thu 7/19/12	Tue 10/1/13	NA	17%
65		Front End	296 days?	Thu 8/9/12	Thu 7/4/13	NA	47%
66		EFACTOR3 Visit	1 day	Thu 8/9/12	Thu 8/9/12	Thu 8/9/12	100%
67		Split Waste Stream Handling system deign	42 days	Fri 8/10/12	Mon 10/8/12	NA	75%
68		Shredder down select and purchase	48 days	Tue 10/9/12	Thu 12/13/12	NA	75%
69		Pelletizers down select and purchase	48 days	Tue 10/9/12	Thu 12/13/12	NA	75%
70		Conveyor Belts down select and purchase	34 days	Tue 10/9/12	Fri 11/23/12	NA	75%
71		Air fluff down select and purchase	34 days	Tue 10/9/12	Fri 11/23/12	NA	75%
72		Dyer down select and purchase	34 days	Tue 10/9/12	Fri 11/23/12	NA	75%
73		Order of all equipment and arrange shipment to EEP facility	1 day?	Fri 12/14/12	Fri 12/14/12	NA	0%
74		Equipment is being manufactured and assembled	145 days	Fri 12/14/12	Thu 7/4/13	NA	0%
75		Pyrolysis	251 days	Tue 10/16/12	Tue 10/1/13	NA	0%
76		Site Visit to ACTI (at CAI facility) to go over final design	3 days	Tue 10/16/12	Thu 10/18/12	NA	25%
77		Execute the contract for 25 MWe (15 EEP and 10 ERS)	3 days	Fri 10/19/12	Tue 10/23/12	NA	0%
78		Initial Down payment for equipment	1 day	Wed 10/24/12	Wed 10/24/12	NA	0%
79		Final Design to completion	45 days	Wed 10/24/12	Tue 12/25/12	NA	0%
80		Send Final Design to Dominion Power for inclusion into PPA	1 day	Wed 12/26/12	Wed 12/26/12	NA	0%
81		Build the pyrolysis Units	140 days	Wed 12/26/12	Tue 7/9/13	NA	0%

Project: EEP build out schedule
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Task		Inactive Milestone		Deadline	
Split		Inactive Summary		Baseline	
Milestone		Manual Task		Baseline Milestone	
Summary		Duration-only		Baseline Summary	
Project Summary		Manual Summary Rollup		Progress	
External Tasks		Manual Summary		Slippage	
External Milestone		Start-only			
Inactive Task		Finish-only			

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ID	Task Mode	Task Name	Duration	Start	Finish	Actual Finish	% Complete
82		Installment payment #2 for Pyrolysis units upon Hardware arriving at CAI facility	1 day	Wed 7/10/13	Wed 7/10/13	NA	0%
83		Integrate Pyrolysis Units with turbines at CAI facility	60 days	Wed 7/10/13	Tue 10/1/13	NA	0%
84		Installment payment #3 for Pyrolysis upon Hardware arriving at EEP facility	1 day	Thu 8/22/13	Thu 8/22/13	NA	0%
85		Turbines	230 days?	Tue 10/16/12	Mon 9/2/13	NA	0%
86		Site Visit to CAI to go over final design	1 day?	Tue 10/16/12	Tue 10/16/12	NA	0%
87		Execute the contract for 25 MWe (15 EEP and 10 ERS)	3 days	Wed 10/17/12	Fri 10/19/12	NA	0%
88		Initial Down payment for equipment	1 day	Mon 10/22/12	Mon 10/22/12	NA	0%
89		Final Design to completion	45 days	Mon 10/22/12	Fri 12/21/12	NA	0%
90		Send Final Design to Dominion Power for inclusion into PPA	1 day	Mon 12/24/12	Mon 12/24/12	NA	0%
91		Order of 5 MWe Turbine components (gearbox is long term item estimate is 6 months)	5 days	Mon 10/22/12	Fri 10/26/12	NA	0%
92		Installment payment #2 for Turbines upon Hardware arriving	1 day	Mon 6/10/13	Mon 6/10/13	NA	0%
93		Installment payment #3 for Turbines upon Hardware arriving	1 day	Mon 9/2/13	Mon 9/2/13	NA	0%
94		Configure and build out Turbine Skids at CAI facility	135 days	Tue 10/23/12	Mon 4/29/13	NA	0%
95		Integrate Turbine components at CAI facility	30 days	Tue 4/30/13	Mon 6/10/13	NA	0%

Project: EEP build out schedule
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Task	Inactive Milestone	Deadline			
Split	Inactive Summary	Baseline			
Milestone	Manual Task	Baseline Milestone			
Summary	Duration-only	Baseline Summary			
Project Summary	Manual Summary Rollup	Progress			
External Tasks	Manual Summary	Slippage			
External Milestone	Start-only				
Inactive Task	Finish-only				

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ID	Task Mode	Task Name	Duration	Start	Finish	Actual Finish	% Complete
96		Integrate Pyrolysis Unit with turbines at CAI plant	30 days	Wed 7/10/13	Tue 8/20/13	NA	0%
97		Ship all equipment to the site	1 day?	Wed 8/21/13	Wed 8/21/13	NA	0%
98		Support Equipment	252 days	Tue 10/9/12	Wed 9/25/13	NA	38%
99		Select cranes for trash system	20 days	Tue 10/9/12	Mon 11/5/12	NA	50%
100		Select skid steers and loaders	20 days	Tue 10/9/12	Mon 11/5/12	NA	50%
101		Select roll off roll on containers	20 days	Tue 10/9/12	Mon 11/5/12	NA	50%
102		Select trucks to move waste stream ash by products	20 days	Tue 10/9/12	Mon 11/5/12	NA	50%
103		Select trucks to move waste stream oil by products	20 days	Tue 10/9/12	Mon 11/5/12	NA	50%
104		Select Miscellaneous equipment's for the site	20 days	Tue 10/9/12	Mon 11/5/12	NA	50%
105		Order Support Equipment to arrive upon Plant occupancy certification	45 days	Thu 7/25/13	Wed 9/25/13	NA	0%
106		Monitoring Equipment	311 days?	Thu 7/19/12	Thu 9/26/13	NA	0%
107		Establish design for Network Operations Center (NOC) to monitor the system	1 day?	Thu 7/19/12	Thu 7/19/12	NA	0%
108		Down select on near-real time emission control monitors	60 days	Fri 7/20/12	Thu 10/11/12	NA	0%
109		Develop design to integrate SCADA devices on ACTI and CAI units	10 days	Fri 7/20/12	Thu 8/2/12	NA	0%
110		Build out the NOC	275 days	Fri 7/20/12	Thu 8/8/13	NA	0%
111		Test all near-real time monitoring at the site	35 days	Fri 8/9/13	Thu 9/26/13	NA	0%
112		Plant Integration	65 days?	Fri 7/5/13	Thu 10/3/13	NA	0%

Project: EEP build out schedule
Date: Thu 10/11/12

Task		Inactive Milestone		Deadline	
Split		Inactive Summary		Baseline	
Milestone		Manual Task		Baseline Milestone	
Summary		Duration-only		Baseline Summary	
Project Summary		Manual Summary Rollup		Progress	
External Tasks		Manual Summary		Slippage	
External Milestone		Start-only			
Inactive Task		Finish-only			

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ID	Task Mode	Task Name	Duration	Start	Finish	Actual Finish	% Complete
113		Building is completed and ready for equipment install	1 day?	Wed 9/4/13	Wed 9/4/13	NA	0%
114		Front End Equipment arrives at site	1 day?	Fri 7/5/13	Fri 7/5/13	NA	0%
115		Install Front End Equipment at the site	41 days	Mon 7/8/13	Mon 9/2/13	NA	0%
116		Start processing MSW through front end of system	15 days	Mon 9/9/13	Fri 9/27/13	NA	0%
117		Turbines and Pyrolysis Units arrive at site	1 day?	Thu 8/22/13	Thu 8/22/13	NA	0%
118		Install Turbines and Pyrolysis Units into facility	30 days	Fri 8/23/13	Thu 10/3/13	NA	0%
119		Plant Operational testing	25 days?	Fri 10/4/13	Thu 11/7/13	NA	0%
120		Run facility with five MSW producing electricity	24 days	Fri 10/4/13	Wed 11/6/13	NA	0%
121		Validate NOC monitoring with site operations	24 days	Fri 10/4/13	Wed 11/6/13	NA	0%
122		Plant is Operational	1 day?	Thu 11/7/13	Thu 11/7/13	NA	0%

Project: EEP build out schedule
Date: Thu 10/11/12

Task	Inactive Milestone	Deadline
Split	Inactive Summary	Baseline
Milestone	Manual Task	Baseline Milestone
Summary	Duration-only	Baseline Summary
Project Summary	Manual Summary Rollup	Progress
External Tasks	Manual Summary	Slippage
External Milestone	Start-only	
Inactive Task	Finish-only	

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Appendix N: Insurance Certificate

PROFORMA ON FINAL

ACORD

CERTIFICATE OF LIABILITY INSURANCE

DATE (MM/DD/YYYY) 10/18/2012

THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AFFIRMATIVELY OR NEGATIVELY AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW. THIS CERTIFICATE OF INSURANCE DOES NOT CONSTITUTE A CONTRACT BETWEEN THE ISSUING INSURER(S), AUTHORIZED REPRESENTATIVE OR PRODUCER, AND THE CERTIFICATE HOLDER.

IMPORTANT: If the certificate holder is an ADDITIONAL INSURED, the policy(ies) must be endorsed. If SUBROGATION IS WAIVED, subject to the terms and conditions of the policy, certain policies may require an endorsement. A statement on this certificate does not confer rights to the certificate holder in lieu of such endorsement(s).

PRODUCER IRG Underwriters LLC 7901 SHAFFER PARKWAY, SUITE 300 LITTLETON CO 80127	CONTACT NAME: IRG Underwriters LLC PHONE (A/C, No, Ext): (303) 972-8933 FAX (A/C, No): (303) 972-8955 E-MAIL ADDRESS: INSURER(S) AFFORDING COVERAGE — NAIC # INSURER A: Travelers Insurance Company
INSURED Energy Extraction Partners LLC 0430 Spruce Mountain Road Larkspur, CO 80118	INSURER B: INSURER C: INSURER D: INSURER E:

COVERAGES CERTIFICATE NUMBER: 40477 REVISION NUMBER:

THIS IS TO CERTIFY THAT THE POLICIES OF INSURANCE LISTED BELOW HAVE BEEN ISSUED TO THE INSURED NAMED ABOVE FOR THE POLICY PERIOD INDICATED. NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS CERTIFICATE MAY BE ISSUED OR MAY PERTAIN, THE INSURANCE AFFORDED BY THE POLICIES DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS EXCLUSIONS AND CONDITIONS OF SUCH POLICIES. LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS.

INSR LTR	TYPE OF INSURANCE	ADDL INSD	SUBR WVD	POLICY NUMBER	POLICY EFF (MM/DD/YYYY)	POLICY EXP (MM/DD/YYYY)	LIMITS
A	GENERAL LIABILITY X COMMERCIAL GENERAL LIABILITY CLAIMS-MADE OCCUR GEN'L AGGREGATE LIMIT APPLIES PER: POLICY PRO-JECT LOC	X		to be assigned			EACH OCCURRENCE $ 500,000 DAMAGE TO RENTED PREMISES (Ea occurrence) $ MED EXP (Any one person) $ PERSONAL & ADV INJURY $ GENERAL AGGREGATE $ PRODUCTS - COMP/OP AGG $
A	AUTOMOBILE LIABILITY X ANY AUTO ALL OWNED AUTOS SCHEDULED AUTOS HIRED AUTOS NON-OWNED AUTOS UMBRELLA LIAB OCCUR EXCESS LIAB CLAIMS-MADE DED RETENTION $	X		to be assigned			COMBINED SINGLE LIMIT (Ea accident) $ 1,000,000 BODILY INJURY (Per person) $ BODILY INJURY (Per accident) $ PROPERTY DAMAGE (Per accident) $ EACH OCCURRENCE $ AGGREGATE $
A	WORKERS COMPENSATION AND EMPLOYERS' LIABILITY ANY PROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED? (Mandatory in NH) If yes, describe under DESCRIPTION OF OPERATIONS below	N	N/A	to be assigned			X WC STATU-TORY LIMITS OTH-ER E.L. EACH ACCIDENT $ E.L. DISEASE - EA EMPLOYEE $ E.L. DISEASE - POLICY LIMIT $

DESCRIPTION OF OPERATIONS / LOCATIONS / VEHICLES (Attach ACORD 101, Additional Remarks Schedule, if more space is required)

The County and City of Stafford VA and its officers and employees shall be named as an "Additional Insured" on the General Liability and Automobile policies and it shall be stated on the Insurance Certificate with the provision that this coverage is Primary to all other coverage the County may possess.

CERTIFICATE HOLDER	CANCELLATION
The County and City of Stafford, Virginia Attention:	SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, NOTICE WILL BE DELIVERED IN ACCORDANCE WITH THE POLICY PROVISIONS AUTHORIZED REPRESENTATIVE

ACORD 25 (2010/05)

Appendix P: IRG Background

Provides overview of insurance group that EEP will use to protect the City of Stafford, Stafford County and the R-Board.

International Risk Group

STATEMENT OF QUALIFICATIONS

IRG Assumptions, LLC (IRG), a subsidiary of International Risk Group, LLC, is a Colorado-based company in the business of repositioning and redevelopment of Brownfield and environmentally- impaired properties, nationally and internationally. In addition, IRG excels in providing impaired property services such as:

- Asset and Liability Management
- Program Management with an Owners Perspective
- Due Diligence/Risk Quantification/Risk Mitigation
- Integration of Cleanup and Demolition with Redevelopment/Repositioning Plans and Efforts

Headquartered in Denver, Colorado, IRG is able to serve clients on a worldwide basis. Since 1994, we have closed more than 70 real estate transactions involving hundreds of environmentally impaired properties. IRG provides a valuable range of solutions in impaired asset transactions including capital and transaction structuring and the quantification, transfer, management and assumption of environmental liability. IRG's clients operate in a broad range of industries including insurance, petrochemical and chemical, nuclear, metals, paper and energy. We are also involved with Air Force, Army, and NASA sites, as well as with several large private and municipal entities. IRG recently won the Brownfield Renewal award for 2012 for its work at the Central Platte Campus in Denver, Colorado.

IRG has a multi-disciplinary staff of professions including real estate experts, attorneys, engineers, insurance underwriters, as well as risk management professionals who have significant expertise in impaired property transactions. The experience that IRG has as an owner of properties and liabilities provides a significant advantage to our outside clients - ***Owner Focus***. IRG is driven by this owner focus to be innovative, to effectively manage liabilities, and to keep our focus on minimizing costs and maximizing the value of our properties.

Assumption of Environmental Liability

IRG is a national leader in creative solutions to mitigate and assume liabilities associated with environmentally impaired properties. IRG creates specific entities for environmental liability assumption and/or enter into various regulatory and contractual agreements in order to meet the client's needs for protections against environmental issues. IRG can also provide certain indemnities to previous and current PRPs or future parties to the transactions. IRG takes on the responsibility for evaluating costs that may be associated with any historical or future claims including, specifically, contribution claims and historic insurance claims that may be held by any indemnified parties.

Our goal is to provide our clients enough security whereby the liability will be mitigated or completely addressed in a particular transaction. IRG's liability assumption structure offers various layers of risk protection, including insurance, bonding, financial solutions. The funding for the liability assumption is negotiated with our clients on a project specific basis. IRG works with our clients on incentives to meet those obligations as quickly and as prudently as possible.

International Risk Group, LLC – Key Members And Staff

Brent C. Anderson, Esq. Brent Anderson serves as Chief Executive Officer of International Risk Group, LLC, and is former President and Corporate Counsel for Cherokee Environmental Risk Management. With over 25 years of experience as an engineer, attorney and entrepreneur in the impaired asset industry, Mr. Anderson has purchased and sold numerous properties with complex transactional and environmental issues involving Superfund, hazardous and solid waste, underground storage tanks and mining liabilities. His wide range of knowledge in structuring transactions, obtaining land use entitlements, obtaining relief from regulatory agencies and in negotiating complex transactions has earned him a solid reputation. He has started and managed environmental consulting and remediation construction companies and has completed over $300 million worth of emergency response, hazardous waste remediation and mine reclamation projects. Mr. Anderson is published in numerous technical and legal journals and is an adjunct professor at Colorado School of Mines and the University of Denver. He received a JD (Order of St. Ives) from the University of Denver, an ME in Geological Engineering from Colorado School of Mines (Cum Laude) and a BS in Geology from Montana State University (Cum Laude). Mr. Anderson is a member of ULI and the Denver, Colorado and American Bar Associations.

Patrick H. Riddell, CPCU, CIC

Patrick Riddell, CEO of IRG Environmental, LLC, an International Risk Group company, has over 35 years of experience in loss control, safety, construction, and oil field and environmental insurance. He has developed and successfully implemented risk management and owner control programs for entire states, Fortune 500 Companies and construction projects in the United States, Australia and China. Mr. Riddell has primarily been engaged in acquisition and development of impaired properties, alternative energy acquisitions and security programs for decommissioning marginally producing European

oil production facilities. He served on various association boards and as a faculty member for the Minnesota Institute for Legal Education, the Texas Environmental Conference, the National Association of Industrial Office Parks, Colorado Real Estate Coalition, PIA, IIA and CLE International. While with Cherokee Environmental Risk Management, Mr. Riddell was Senior Vice President of Risk Management Operations. He has also served as Vice President and Director of Environmental Risk Insurance Company (ERIC) and was a Senior Underwriter for the SAFECO Insurance Company. As a past principal in two independent brokerage firms, and as a Loss Control Consultant for Hartford Insurance Company, Mr. Riddell is well equipped in the field. He is a graduate of the Texas A & M University System.

Joseph W. Aiken

Mr. Aiken is currently a Vice President and Regional Manager for the International Risk Group. He has over 30 years of environmental project and program management experience with technical expertise in water pollution control, water treatment technologies, and environmental cleanup projects. Mr. Aiken has been heavily involved with liability transfer and liability assumption projects, including remedial cost estimation, conceptual modeling of remediation approaches, and modeling of costs to obtain environmental insurance. He received a patent in 1994 for an innovative technology for remediation of Chlorinated Solvent Dense Non-Aqueous Phase Liquids (DNAPL) in the subsurface and has worked as an expert witness. He has specific expertise in marketing and business development as well as execution of projects. Overall technical experience includes remedial design (conceptual and detailed design projects); evaluation and development of environmental remedies including treatability studies, feasibility studies, and development of environmental technologies; and testing and design of water and wastewater treatment systems. Has extensive experience with the application of groundwater treatment technologies with specific expertise in the application of membrane systems. Currently, Mr. Aiken is the Program Manager for the overall privatization effort at the former Lowry Air Force Base, which involves management of a $70 million groundwater cleanup project, cleanup of soils and demolition debris that contains asbestos, and cleanup of soils containing petroleum hydrocarbons, lead, and other hazardous constituents. He has a BS degree in Natural Resource Management from Rutgers University (1967).

Ann K. Wei, Esq.

Ms. Wei is Counsel for International Risk Group, LLC, specializing in environmental, real estate and insurance law. She has successfully negotiated complex transactions on behalf of IRG, including federal, state and municipal government contracts; environmental privatizations and liability assumptions; private real estate contracts; environmental insurance policies; and several regulatory agreements and orders. Highlights of her work include the privatization and assumption of liability of $70 million in environmental services at the former Lowry Air Force Base, which included the conveyance of approximately 700 acres to the local redevelopment authority; the acquisition, assumption and remediation of a former chemical plant in Denver; and, the ownership

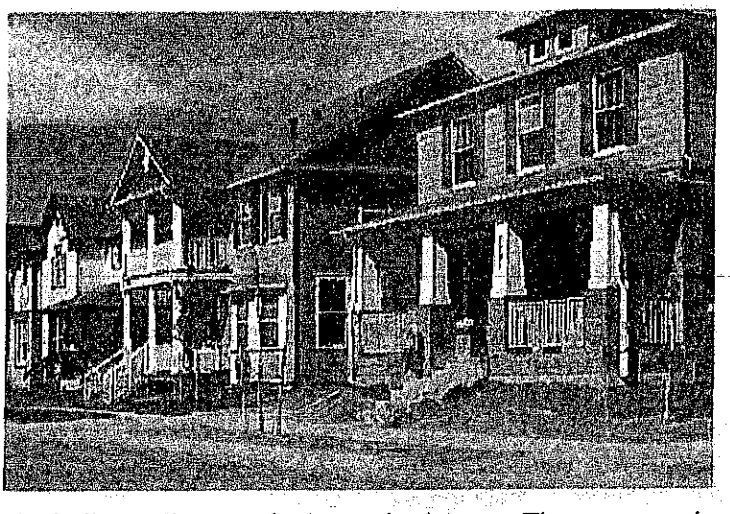
and/or assumption of liabilities by IRG related to several properties around the country. In addition, she manages and provides counsel on all related legal issues attendant to project implementation and closure. Prior to joining IRG, Ms. Wei was an Environmental Attorney and Work Assignment Manager specializing in CERCLA Superfund litigation for the U.S. Environmental Protection Agency, Region VIII. Ms Wei holds a B.A. in Political Science from the University of Vermont, and received a J.D. from the University of Denver College of Law. She is also the current President and a Director of the Lowry Vista Metropolitan District and a Board Member of Foresight Ski Guides.

Current Projects

Former Lowry Air Force Base Denver, CO (2002 to present)

This project was a nationally precedent-setting agreement when signed in 2002, wherein Lowry Assumption, LLC, a subsidiary of International Risk Group, was awarded a $39.6MM contract by the U.S. Air Force and the Lowry Economic Redevelopment Authority for the privatization of much of the remaining environmental liability at the former base. Lowry Assumption also assumed third party liability at the facility. Under the privatization contract, Lowry Assumption manages the remediation of groundwater contamination and the former base landfill. The remediation is performed under the regulatory oversight of the Colorado Department of Public Health and Environment (CDPHE), through a Consent Agreement under the State's Resource Conservation and Recovery Act (RCRA) authority. The U.S. Air Force retains an oversight role with regards to the remediation ongoing at the site, and the State's review and approval meets the criteria for Site Closeout under CERCLA. The first phase of the Air Force's precedent setting early transfer and environmental privatization program at Lowry was so successful, that the parties added the soils issues to the scope of the project and initiated a second phase of the project. This $30 MM project privatized all the remaining environmental issues at Lowry, and transferred all remaining U.S. Air Force property to the local redevelopment authority. Structuring the transaction required extensive integration of federal, state, and local regulatory programs as well as integrating at least ten (10) transactional documents, including preparation of a Finding of Suitability for Early Transfer (FOSET) and Finding of Suitability for Transfer (FOST) for approximately 700 acres, and a comprehensive environmental insurance program. The estimated total real estate development investment is approximately $1 billion.

Former Stapleton International Airport Denver, CO (1998 to present)



The former Denver Stapleton International Airport is a master planned "Brownfield" real estate redevelopment. The City settled with the Potentially Responsible Parties for environmental liabilities. The City wanted to mitigate known contamination clean-up cost overrun risk, and transfer third party and unknown environmental liability IRG developed and implemented a 30-year, $400M environmental risk management program addressing known contamination cleanup costs, including soil, groundwater and asbestos. The program also mitigates first party diminution of real estate value, and unknown and third party liability. We structured the program as an owner controlled insurance program (OCIP) to manage risk in coordination with contractor and certain other insurance policies.

Boeing/NASA Site, Downey, California (2003 to present) 2007 Phoenix Award Winner – Region IX

International Risk Assumption - Downey, LLC ("IRAD"), a subsidiary of International Risk Group, was awarded a $20.5M contract by the City of Downey, CA for the privatization and assumption of the environmental responsibility of the former National Aeronautics and Space Administration (NASA) Industrial Plant in Downey, CA. This site was chosen for the Phoenix Award in 2007 for its innovative solution to a difficult transaction. This agreement allows NASA to transfer ownership of the property to the City of Downey, thereby permitting redevelopment of a retail center, a hospital and a movie studio, all major additions to the City's economy. IRAD indemnified NASA, the United States General Service Administration (GSA), the City of Downey, Kaiser Foundation Hospitals, Downey Landing, LLC and other prospective purchasers for claims and costs incurred or asserted as a result of the environmental conditions and remediation at the Downey site. This indemnity includes claims accruing both before and after the property transfer closing stemming from historical operations, including claims arising as a result of remediation of the properties. The indemnity will also encompass new previously unknown conditions and have a term of ten (10) years. The agreement is the first of its kind for NASA. GSA served in the role of broker on behalf of NASA and the US government. In an effort to bring the entire site back to an economic and productive use, as quickly and efficiently as possible, the United States executed a FOSET, with the clean-up of the Property (as directed by the RWQCB-LA) being accomplished by IRAD.

Former General Chemical Facility, Denver, CO (2007 – present) Brownfields Renewal Award Winner 2012

IRG Bayaud, LLC, a wholly-owned subsidiary of IRG, acquired a 37-acre parcel of land located at 1271 West Bayaud Street in Denver, Colorado as part of an overall transaction with the City and County of Denver (the "City"). IRG provided environmental insurance and purchase and sale documents, including indemnities to the City to complete this transaction. As the City and the former property owner (General Chemical) were unable to come to terms on sale, primarily due to the existing environmental conditions of the site, IRG stepped in to facilitate the transfer of title to the property, which included the cleanup obligations for the contamination. The property was historically the location of ore processing and chemical manufacturing activities since the early 1900's. As such, soil and groundwater at the site are impacted by low pH conditions and high concentrations of metals. Clean-up of the property includes a soil cap, and groundwater monitoring is required.

IRG was engaged by the City to perform the following tasks: assist General Chemical with development and approval of a Voluntary Clean-up Plan (VCUP) to address soil and groundwater issues in a manner that was acceptable to the Colorado Department of Public Health and the Environment (CDPHE); obtain environmental insurance, including a Remediation Cost Containment policy, to cover the cost of implementing the approved VCUP and a Premises Pollution Liability policy to address any unknown contamination that may be encountered in the future at the site; and, acquire the property from General Chemical, including providing the needed indemnities General Chemical, with the ultimate intention of transferring ownership of the property the City once the VCUP was completed. Throughout the process, IRG has worked closely with the City to integrate their development needs with the approved voluntary cleanup plan to expedite the development for future use. The property transferred to the City in June 2008, and construction of the City's facilities was completed in the fall of 2010.