Appendix I

Phase I Scope of Work

Task	Description
Support Major Contract Negotiations	Review project documents and major contracts, as directed by Owner.
Conduct Periodic Reviews of EPC Contractor's Work	Review and comment on EPC Contractor documents, as directed by Owner.
Perform Operability and Maintainability Review	Review Facility/machinery plans and drawings. Provide recommendations with respect to their impact on long-term Facility operations and maintenance to Owner, as directed by Owner.
NERC Support	Provide support for NERC related activities, as directed by Owner.

Phase II Scope of Work

Tasks	**Description**
Support Owner in Developing Financial Performa Inputs	Prepare Phase II budget and first year Phase III Annual Budget and Annual Operating Plan for Owner review and approval.
O&M Project Management	Oversee Phase II O&M service activities and ensure the smooth transition of the Facility from mobilization to commercial operations.
Owner Assistance	Provide assistance and support Owner duties relative to the Facility O&M.
Program Development and Implementation	Develop and implement (in coordination/compliance with appropriate Owner policies and procedures) detailed Facility programs, including: ▪ Safety and Health Program ▪ Environmental Compliance Program ▪ Operations Program ▪ Maintenance Program ▪ Administrative Program ▪ NERC Compliance ▪ Training/Qualification Program ▪ Water Chemistry Program

Tasks	Description
Facility Manuals	Develop site-unique manuals that document policies and procedures specific to the Facility O&M. These include administration, HR policy, safety, training, chemistry, maintenance policy, and environmental. Implement applicable programs.
Budgets	Prepare Mobilization and first year of commercial operation budgets. Submit to the Owner for approval.
Security	Develop facility security measures and procedures. Submit for Owner approval.
Turnover Procedures	Assist the Owner in reviewing the EPC contractor's turnover procedures. Review turnover packages punch lists, and lockout/tagout protocols. Conduct facility walk downs and inspections to identify actual facility conditions. The operator will be under the direction of the EPC or Owner until the NAES gains Care, Control, and Custody.
Startup Support	Support the EPC contractor with facility startup and testing activities. This task includes operating the facility under the direction of the EPC contractor or Owner and maintaining facility systems as they are turned over to NAES.
Routine Maintenance	Perform routine maintenance and scheduled preventive maintenance actions on facility systems as they are turned over to NAES. Establish appropriate predictive maintenance programs.
Tool and Spare Parts Lists	Prepare lists of the initial inventory of tools and spare parts needed for maintenance and repair of the facility and its equipment.
Inventory Control System	Set up a PC-based inventory control system. Train personnel and integrate it with the Facility CMMS, purchasing and accounting systems.
Facility Staffing	Recruit, hire, transfer, or otherwise acquire qualified personnel in accordance with the Owner-approved staffing plan and schedule for the Facility.
Personnel Administration	Administer personnel functions for site employees such as payroll, personnel records, benefit plans, insurance, and

Tasks	Description
	grievances.
Accounting Systems	Set up the accounting and inventory control systems at the Facility. Install computer software and train office personnel.
Procurement Systems	Set up the procurement system at the Facility. Purchase and maintain (to the Owner's account) the necessary inventory of tools, spare parts, consumables, and other supplies.
Specialty Schools	Send selected O&M personnel to outside specialty schools (as time allows) to develop the skills required for proper O&M.
Qualification Program	Implement an employee qualification program to ensure that all employees have the requisite experience, training, and knowledge.
System Descriptions	Develop a description of each facility system and how the system interfaces with other facility systems. Include a description of system components and their functions, principles and modes of system operation, details of system instrumentation, controls, and protective features.
Operations Procedures	Develop comprehensive system operations procedures to include: precautions and prerequisites, alarms, and protective actions. Provide startup, normal operations, and abnormal/emergency procedures. Develop integrated operations procedures for overall facility startup and shutdown.
Pre-Operational Training	Develop and implement formal training to prepare site operators for startup and commercial operations. Integrate vendor, OEM, and EPC training. Conduct effective testing to ensure adequate knowledge levels.
Preventive Maintenance Program	Develop a database for a comprehensive preventive maintenance program. Enter this database into the CMMS system and train site personnel in the use of the program.

Phase III Scope of Work

Tasks	Description
Routine Operations	Provide 24 hours/day, 7 days/week continuous facility operation to optimize electrical power generation. Includes assigning trained technical and management personnel to the Facility. NAES Home Office headquarters will manage and oversee the personnel.
Detailed Operational Programs	Continue follow-up and implementation (in coordination with appropriate the Owner policies and procedures) detailed programs. ▪ Human Resources ▪ Safety and Health Program ▪ Environmental Compliance Program ▪ Operations Program ▪ Maintenance Program ▪ Administrative Program ▪ NERC Compliance ▪ Training/Qualification Program ▪ Water Chemistry Program ▪ Facility Assessment
Routine Maintenance	Perform routine and preventive maintenance actions on all facility systems and equipment in accordance with vendor instructions and the maintenance plan for the Facility. This program includes: ▪ Operational Checks – Conduct frequent visual equipment inspections and log significant parameters such as pressures, temperatures, and flow rates. Trend and analyze this information as appropriate. ▪ Routine and Fixed Interval Maintenance – Based on the CMMS system database, identify all preventive maintenance requirements, including gauge/meter calibration and testing. Schedule and assign routine maintenance during operations, planned outages, and maintenance that can be conducted in parallel (but not extend required actions) in the event of a forced or unscheduled outage.
Predictive Maintenance Program	As appropriate, conduct/oversee predictive maintenance within the cost-effective capability of the O&M staff. For those maintenance requirements that are not cost-effective for the staff, oversee predictive maintenance services and subcontractors.

Tasks	Description
Major Maintenance and Repairs	In coordination with and support of the project agreement(s) and/or generation plan, arrange for scheduled inspections and overhauls on major equipment items. Subcontract unscheduled major repairs as required and manage and oversee all repairs and modifications.
Facility Outages	Manage all facility outages (scheduled, unscheduled, forced) to minimize outage duration and impact on production: ▪ Task Assignment – Identify all tasks requiring major equipment or powerhouse outages within the CMMS as maintenance items are identified. Assign outage status to maintenance items. ▪ Work Schedule – Develop and implement a detailed schedule to track all outage preparations, work, and testing, including corrective maintenance actions, contractor work, and scheduled preventive maintenance. Conduct preparations to support this plan, including ordering and receiving all required spare parts.
Assistance to the Owner	Provide assistance to the Owner, as reasonably requested, with the execution of Owner duties relative to operation of the Facility. This task includes such things as the preparation and coordination of warranty claims, license and permit renewals, interfacing with the Owner's management and personnel, and interfacing with local authorities.
Facility Administration	Conduct administration to meet NAES requirements and the Owner's goals, including: ▪ Annual Budgets - Prepare annual operating budgets and submit them for Owner approval. Following approval, manage operations to comply with these budgets. Generate budget variance reports, as required. ▪ Payroll – Oversee the preparation and distribution of payroll and related tax payments. Ensure compliance with all federal and local labor and tax requirements. ▪ Procurement – Establish and implement an effective purchase order system. Procure, to the account of the Owner, all materials, equipment, chemicals, supplies, services, parts, and other miscellaneous items required for routine O&M. Pay all invoices in a timely manner. Minimize Owner costs as much as is feasible.

Tasks	Description
	▪ Accounting - Implement accounting procedures for the Facility and provide oversight for accounting procedures including cash disbursements and journals and accounts payable. Provide required reports to the Owner; reconcile as required. Assist the Owner in preparing financial reports, including supporting reports and documentation. ▪ Inventory Control – Implement a cost-effective inventory control system designed to ensure that spare parts, materials, and supplies are properly stored and accounted for and that adequate supplies are available at all times to support daily operation and maintenance of the Facility. ▪ Personnel Matters – In coordination with NAES Home Office Personnel and in compliance with NAES programs and policies, manage all labor relations programs and employee-relations issues. These tasks include: employment; compensation and benefits; initial training; and employee relations. Provide support to recruit, hire, transfer, or otherwise acquire and retain qualified personnel to maintain the staffing levels and skill mix required for successful long-term operation of the Facility. ▪ Community relations – In coordination with the Owner, conduct a community relations program to establish the Facility and its employees as "good citizens" in the local community.
Work Assignment	Assign work to either site staff or contractors as cost-effective and appropriate. Normally, the site staff conducts preventive maintenance and actions requiring a high degree of the Facility knowledge while contractors perform tasks needing equipment and/or expertise which is not cost-effective to maintain at the Facility (e.g., code welding, safety valve testing, specialized calibrations). Contractors also perform tasks that make sense to minimize outage time and costs.
Buildings and Grounds	Arrange for janitorial, garbage pickup and landscape services and maintain all access roads, office buildings, and other structures in good repair at all times.
Reports	Prepare and submit O&M reports as requested relative to performance, including environmental compliance records, maintenance and repair status, facility operating data, and any other information reasonably requested by the Owner.
Security	Implement or arrange for implementation of security measures in accordance with the Facility security plan.

Tasks	Description
Training Program	Implement a continuing program of training designed to orient new employees, refresh/cross-train existing employees, qualify/re-qualify operating personnel, and keep all site personnel abreast of the Facility safety requirements and emergency procedures. This program includes specialty skills training.
Drawing/Manual Maintenance	Maintain the Facility library and update facility manuals and vendor service manuals. Update (or arrange for updating) facilities/systems drawings to reflect changes to the as-built configuration. In addition to document management, maintain physical facility configuration control.
Performance Assessment	Assign work to either site staff or contractors as cost-effective and appropriate.

Appendix II

O&M Project Team

Phase I – Pre-Mobilization Period

Upon NAES Notice-to-Proceed, NAES will appoint Owner to a project management operating division. An assigned Project Manager will coordinate and direct support activities provided by NAES home office support personnel. NAES will coordinate activities to provide pre-mobilization services up through the mobilization date.

Phase II – Mobilization Period

NAES will provide Mobilization Period services in preparation to accept operational responsibility. During this time, the Project Manager, Plant Manager, and supervisors will work together to develop and implement site specific programs and procedures for the Facility.

Phase III – Commercial Operations Period

During the Commercial Operations Period, the Plant Manager is responsible for implementing NAES programs and policies to address operational planning and execution with support from the NAES's Project Manager and home office personnel.

During commercial operations, NAES will operate and maintain the project in compliance with Owner guidelines. This includes the required load profile, accepted industry practices, environmental permits, and all relevant laws and regulations.

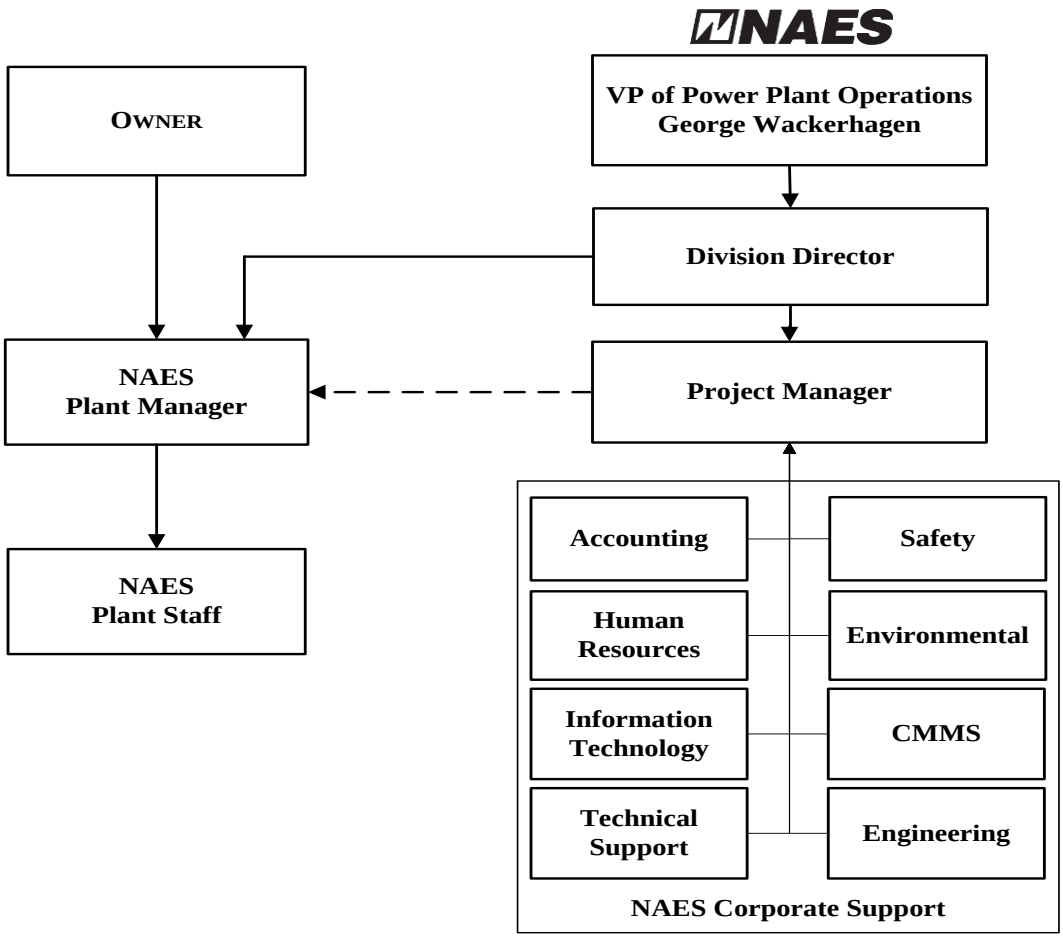
NAES Project Management Team

Pre-Mobilization and Mobilization tasks will be overseen by an experienced Division Director and led by an experienced Project Manager. The primary function of the Project Management team will be to ensure Pre-Mobilization and Mobilization Period activities are completed and the plant is smoothly transitioned to commercial operations. During the Commercial Operations Period, they will provide the management and technical oversight to ensure that the plant is operated to the requirements of the O&M Agreement and to NAES standards.

NAES will provide a highly experienced Plant Manager (subject Owner approval) who will relocate to the plant site. In addition, NAES will recruit experienced and capable supervisors to support plant operational and administrative responsibilities.

Over the course of the Mobilization Period, NAES transfers years of program experience to the Plant Manager and supervisors. The Project Manager, Plant Manager, and supervisors will work together to develop and implement programs and procedures. During the Mobilization Period, the Project Manager will carry much of the responsibility for NAES services to the project. As the Mobilization Period progresses, there is a shift in responsibility to the Plant Manager.

The Project Manager and the Plant Manager will report to the Division Director, who maintains overall responsibility for the project from NAES corporate perspective. NAES Project Management organizational relationships are illustrated in Figure 1.



NAES's Project Management structure

Key members of the NAES's Project Management team include:

- Vice President, Power Plant Operations/Technical Support Services. Responsible for all Power Plant Operations, O&M Oversight, and Technical Support Activities.

- Division Director. Responsible for the overall execution of the contract. The Plant Manager reports to the Division Director.

- Project Manager. Responsible for the execution of the Mobilization Period tasks and on-going support for plant management throughout the Commercial Period.

- Division Director, Technical Support Services. Leads the centralized support necessary for the development of documents and materials to support operational programs, procedures, and training.

- Environmental Support Services Director. Responsible for coordinating support and creation of systems, for plants we manage in the U.S., that will enable the Facility staff to achieve required environmental compliance.

- Safety Director. Leads the centralized support necessary for providing managerial and technical support to enable facilities to achieve the NAES safety standard.

- Project Manager, Safety. Responsible for providing managerial and technical support to enable facilities to achieve the NAES safety standard. Work with plant staff to develop safety guidelines, policies and programs, which meet regulatory and operational standards.

- Vice President, Human Resources. Responsible for addressing the transition of employees to NAES as well as ongoing human resources and employee relations management services.

- Human Resources Manager. Responsible for providing transition and ongoing HR consulting and personnel management services.

- Engineering Director. Provides technical leadership and program coordination in plant operational performance, maintenance, and diagnostic data to identify and communicate abnormal conditions, including assistance in root cause investigations and corrective actions.

- Senior Vice President, Accounting. Responsible for implementing accounting related administrative activities for the plant, including payroll, accounts payable, accounts receivable, and generation of financial reports.

- General Counsel. Responsible for managing the legal aspects of the business including, contracts review, and legal direction and advice pertaining to commercial and personnel related matters.

- Corporate Accounting Manager. Responsible for addressing the needs and issues of accounting including payroll, A/R, and A/P, reconciliations, and budget variance reports.

Plant Management and Support

Plant management and support is provided by the Project Manager, Plant Manager, and supervisors as described in the following table. The Project Manager and the Plant Manager will report to the Division Director who will maintain overall responsibility for the project from a corporate perspective.

Position	Responsibilities
Project Manager	▪ Primary point of contact between the Owner and NAES during the Mobilization Period. ▪ Authority to make operational decisions on behalf of NAES. ▪ Focus on "one-time" Phase I and Phase II tasks (e.g., initial plant

Position	Responsibilities

	staffing, program/manual development).
	▪ Provide overall project monitoring and support to the Plant Manager.
	▪ Frequently contact the Plant Manager (in partnership with the Division Director and Sr. Vice President of Power Plant Operations/Technical Services) to provide any support needed to improve plant operations.
	▪ Manage the following activities:
	  ▪ Phase I and Phase II budgeting and scheduling
	  ▪ Recruiting and hiring
	  ▪ Program and procedure development
	  ▪ Reporting

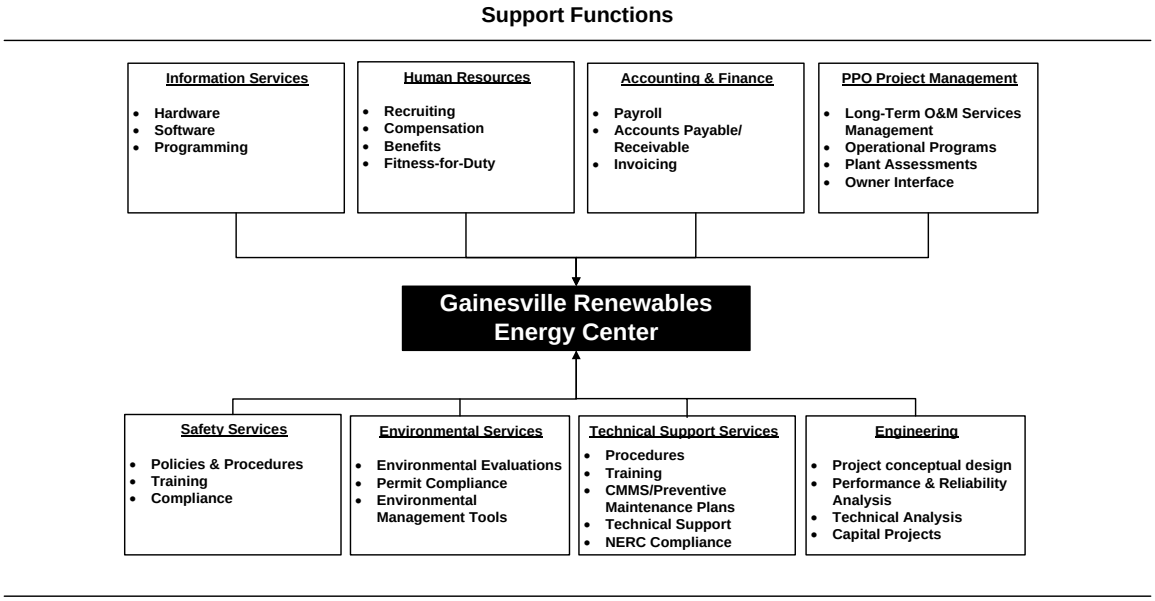
Plant Manager	▪ Primary point of contact with the Owner after NAES accepts operational responsibility.
	▪ Support plant startup and long-term commercial operations (e.g., procurement, training).
	▪ Report to the Owner on all aspects of plant operation, maintenance, and administration.
	▪ Manage the following Commercial Operations Period activities:
	  ▪ Phase III Annual Operating Plan and Budget
	  ▪ Procurement
	  ▪ Training and operator qualification
	  ▪ Startup and ongoing O&M
	  ▪ Reporting
	  ▪ Recruiting, hiring, and employee management

Plant Supervisors	▪ Support the Project Manager and Plant Manager in the operational and administrative responsibilities of the plant. ▪ Coordinate the execution of tasks during the Phase I and Phase II Period. ▪ Support the purchasing and inventorying of spare parts and tools. ▪ Hire qualified operations and maintenance personnel.

Home Office Support

NAES has invested in itself in order to develop a sophisticated infrastructure. Today, that infrastructure includes more than 120 experienced professionals with a demonstrated exceptional capability to work together in order to effectively manage and support plant O&M. This support team responds to the Project Manager's direction so that the required expertise is quickly and cost-effectively dispatched to meet both short and long-term project needs. NAES's capabilities are proven for every project it manages.

In addition, home office support functions are tailored to meet the needs of the Owner and plant staff. Figure 2 highlights the NAES Home Office Functions that will support the Facility.



NAES Home Office support functions.

Plant Organization and Staffing

The proposed staffing schedule and organizational charts are estimates only. Based on actual conditions at the Facility, NAES reserves the option to recommend additional employees, an alternate structure or an alternate schedule, consistent with Good Utility Practice. Accordingly, the employee schedule and numbers and organizational structure are subject to change in an Annual Budget and Annual Operating Plan agreed to between Owner and NAES.

NAES assumes that it will take 44 full-time employees to properly administer, operate, and maintain the plant as shown in Figure 2 in Appendix VII. All plant O&M personnel will be in the employ of NAES. Occasionally, NAES may draw on temporary, part-time, or contract employees to provide support to the plant. NAES considered the following factors when developing the plant organization:

- Plant operating profile
- Scope of work

- Equipment selection and layout
- Expected plant reliability
- Environmental and safety compliance
- Project economics
- Plant location
- Legal requirements
- Dispatch and regulatory requirements

Staffing

Following Notice-to-Proceed, NAES's Human Resources (HR) staff will initiate hiring activities for the Plant Manager in cooperation with the Project Manager. NAES's HR personnel will recruit internally and from other sources as appropriate, and will conduct initial screening, preliminary interviews, and testing. However, NAES will not actively recruit current Gainesville Regional Utilities's employees.

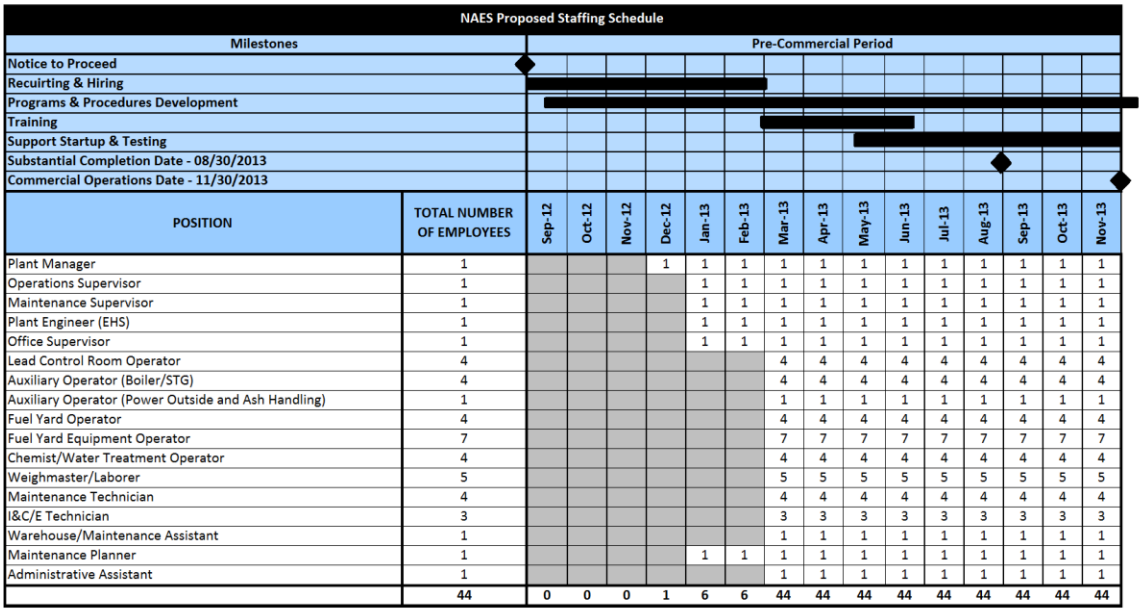
Due to the experience and skill needed for the Plant Manager and Supervisor positions, NAES may need to recruit on a regional or national level. If recruited outside the plant area, these personnel will be relocated to the plant location. Following the hiring of the Plant Manager, HR personnel will support the Project Manager and Plant Manager in the initial recruiting, interviewing, and hiring of the remaining plant staff.

NAES has assumed initial staffing as a non-union operation. If plant employees elect to be represented by a union, NAES will be obligated to meet with the union and bargain in good faith to establish a collective bargaining agreement. NAES will resist any proposals by the union that would increase labor costs. NAES will coordinate strategy with the Owner to negotiate an agreement that retains all permissible management rights, including the right to determine staffing levels, set performance requirements, contract work, and related management privileges.

As long as the wages and benefits that are in effect prior to union involvement are comparable to what NAES believes are industry competitive, there is little risk to the Owners that labor costs would be significantly higher under a union contract. The primary risk comes from the possibility that NAES and the union reach impasse in negotiations and the union initiates a work stoppage. Such action by the union could have an impact on operations if NAES were unable to staff and operate the Facility during a strike. This risk could be mitigated by a well-developed strike contingency plan, which NAES could develop in conjunction with the Owners before such an event occurred.

NAES schedule for staffing the plant is shown in Figure 3. The staffing plan is based on the most cost-effective approach to hiring personnel, organizing the staff, and supporting Phase II tasks. During Phase II, plant personnel will start working on the project to assist with setting up plant administrative systems and with the procurement and warehousing of initial tools, spare parts and supplies. The first two positions to be filled will be the Plant Manager and the Office Supervisor. This will facilitate the handling of the heavy work load that generally occurs in the

early stages of a project. They will also assist with the screening and hiring of subordinate employees.



NAES Proposed Staffing Schedule																
Milestones		Pre-Commercial Period														
Notice to Proceed		◆														
Recuirting & Hiring		▬	▬	▬	▬	▬	▬									
Programs & Procedures Development		▬	▬	▬	▬	▬	▬	▬	▬	▬	▬	▬	▬	▬	▬	▬
Training							▬	▬	▬	▬	▬					
Support Startup & Testing									▬	▬	▬	▬	▬	▬	▬	▬
Substantial Completion Date - 08/30/2013														◆		
Commercial Operations Date - 11/30/2013																◆
POSITION	TOTAL NUMBER OF EMPLOYEES	Sep-12	Oct-12	Nov-12	Dec-12	Jan-13	Feb-13	Mar-13	Apr-13	May-13	Jun-13	Jul-13	Aug-13	Sep-13	Oct-13	Nov-13
Plant Manager	1				1	1	1	1	1	1	1	1	1	1	1	1
Operations Supervisor	1					1	1	1	1	1	1	1	1	1	1	1
Maintenance Supervisor	1					1	1	1	1	1	1	1	1	1	1	1
Plant Engineer (EHS)	1					1	1	1	1	1	1	1	1	1	1	1
Office Supervisor	1					1	1	1	1	1	1	1	1	1	1	1
Lead Control Room Operator	4							4	4	4	4	4	4	4	4	4
Auxiliary Operator (Boiler/STG)	4							4	4	4	4	4	4	4	4	4
Auxiliary Operator (Power Outside and Ash Handling)	1							1	1	1	1	1	1	1	1	1
Fuel Yard Operator	4							4	4	4	4	4	4	4	4	4
Fuel Yard Equipment Operator	7							7	7	7	7	7	7	7	7	7
Chemist/Water Treatment Operator	4							4	4	4	4	4	4	4	4	4
Weighmaster/Laborer	5							5	5	5	5	5	5	5	5	5
Maintenance Technician	4							4	4	4	4	4	4	4	4	4
I&C/E Technician	3							3	3	3	3	3	3	3	3	3
Warehouse/Maintenance Assistant	1							1	1	1	1	1	1	1	1	1
Maintenance Planner	1					1	1	1	1	1	1	1	1	1	1	1
Administrative Assistant	1							1	1	1	1	1	1	1	1	1
	44	0	0	0	1	6	6	44	44	44	44	44	44	44	44	44

Proposed onsite staffing schedule.

NAES has carefully designed the staffing process and the company benefits to ensure that NAES attracts and hires the most qualified people in a timely manner. NAES's philosophy is to offer wages that are competitive to those in the generation business in the area and benefits that are predicated upon the NAES package.

The corporate Human Resources department in coordination with the Project Manager will oversee the staffing process consisting of the following steps:

- **Search** – NAES will place advertisements in newspapers and energy publications on a local, regional, and/or national basis to attract candidates for plant staff positions. NAES will be particularly sensitive to the local community and make a good faith effort to recruit from the immediate area of the plant.

  Due to the experience and skill needed for the Plant Manager and other management positions, NAES may retain a management recruiter to support the hiring and relocation of key plant staff positions on a regional or national level. If recruited outside the plant area, these personnel will be relocated to the plant location.

- **Screen** – NAES will initially screen candidate applications either in person or by phone based on the requirements for each position. The duties, responsibilities, skills, and educational requirements for each position are established by NAES corporate management and are documented in a job description for each position.

- **Interview** – Interviews will be conducted in the most convenient location for potential candidates, likely at a local hotel near the plant site or temporary office at the plant site.

  Candidates for management positions will be interviewed by the Project Manager. Selected candidates may be invited to NAES home office for in-depth screening and personal interviews.

  Candidates for hourly positions will be interviewed by the Project Manager, and/or plant management staff (if hired at the time).

- **Test** – Candidates for hourly positions will be tested as part of the screening and interviewing process. These tests gauge technical knowledge and aptitude, technical skills, job related mental ability, and communications skills.

- **Select** – The interviewers will critique the results of their interviews and the applicants' test scores. References are secured and reviewed. Selected candidates are offered employment and reporting dates established contingent upon their successful completion of a physical examination, background check, and drug screen in accordance with NAES Fitness for Duty Policy. NAES performs such screening to enhance the safety of plant personnel and property.

- **Orientation** – The Plant Manager will go to NAES's corporate headquarters in Issaquah, Washington, or NAES's Carneys Point, New Jersey, office for orientation to the company, including NAES O&M philosophy, client relationships, and Human Resources/Accounting policies and procedures.

NAES requires that all new employees attend a new hire orientation session. These meetings, conducted by the Project Manager and/or HR representative, ensure that new hire paperwork is complete and that employees understand NAES's employment policies and benefits.

Other Pertinent Information

Fleet Performance and Enhancement

NAES knows that the key to maintaining and improving plant operations is the use of effective policies, programs, and procedures executed by trained professionals. NAES enhances its fleet operations through the use of the following tools:

- Annual Management Conferences
- Sharing of Lessons Learned and Best Management Practices
- Online Discussion Boards
- Fleet Assessment Program
- Efficient Use of NAES Intranet
- Monthly Plant Manager Conference Calls
- System Experts Database

- Fleet Equipment Database
- Improved Purchasing Power
- Preferred Vendor List
- Web-based Training

Day-to-Day Business Operations

Since 1994, NAES has worked at a wide array of plants receiving electronic dispatch orders from controlling authorities (ISO's) including facilities in merchant environments throughout the Americas. Based on this experience and in coordination with each facility Owner, NAES has developed and implemented proven day-to-day processes. The specifics are tailored to each situation; however, the overall approach is discussed below.

- Environmental compliance is accomplished on a daily basis by first establishing operating procedures that incorporate environmental permit conditions into the operations and maintenance program. The Plant Manager is responsible to ensure that all plant personnel are familiar with the operating procedures and comply with the permit conditions in their daily activities.

- Site personnel at plants operated by NAES manage the major maintenance under the direction of the Plant Manager. The annual maintenance plan is developed based on a rolling long term strategic plan in accordance with OEM recommendations, NAES established maintenance procedures, industry practices, and equipment condition. As the plan is developed, budgeted and approved by the Owner it is entered into the plant maintenance management system for scheduling, material procurement, and implementation and tracking of the work.

- Capital improvements are managed similarly to the major maintenance plan. The Plant Manager, working with site personnel, is responsible to look for opportunities to provide continuous improvement in terms of improving plant performance and reducing costs. As opportunities for such improvements are identified, the plant staff will initiate a design concept for the improvement, perform a budgetary analysis showing cost vs. benefit, and present a recommendation to the Owner. If the Owner concurs with the recommendation, the Plant Manager will seek appropriate engineering, if necessary, and procure the materials, equipment, or services necessary to implement the capital improvement.

Procurement Process

NAES has developed a detailed procurement process with appropriate checks to enable authorized personnel to review and approve purchases prior to commitment of funds. The approval process is conducted in light of the approved budget and Owner-defined purchasing limits.

Third Party Services

Third party services are utilized where appropriate to cost-effectively perform activities that are outside the routine capability of site personnel. NAES coordinates third party activities in accordance with approved policies and procedures for vendor selection, and in compliance with the approved plant budget.

Third party services typically involve specialized services that require specialty equipment or training, and where maintaining such skill sets among site personnel or maintaining special equipment onsite is not cost-effective. Commonly, third party services include some aspects of maintenance, testing, and miscellaneous plant services.

Prior to conducting work on-site, third party vendors must attend and acknowledge receiving site-specific safety training. While conducting work on-site, third party vendors must comply with site lock-out/tag-out procedures, and are subject to the oversight of NAES plant personnel.

Reliability Compliance Program

NAES has developed a Reliability Compliance Program to provide the plant Owner with a complete, self-conducted compliance strategy for its facility(s). NAES implements this Reliability Compliance Program at the power plants it operates, and as needed, also provides Technical Support Services to assist plant staff in meeting program requirements.

NAES program includes Reliability Standards Compliance Templates, one for each NERC Reliability Standard and Regional Reliability Organization (RRO) Standard, that specify action(s) to be taken to comply with Generator Owner and/or Generator NAES requirements. The templates, which are based on a typical plant infrastructure and outside entity relationships, provide a basis for creating a complete, site-specific compliance plan for any generation facility. When compiled, the completed templates and supporting documentation constitute a NERC Reliability Standards Compliance Manual for the Facility, organized by NERC Reliability Standards and RRO Standards.

Appendix III

Approvals, Licenses and Permits

Environmental Permits

Site Certification
Florida Division of Administrative Hearings Case No. 09-6641 EPP
Florida Department of Environmental Protection Office of General Counsel Case No. 09-4002
Florida Power Plant Siting Act File PA 09-55
http://www.dep.state.fl.us/siting/certification.htm
GREC SCA Site Certification Conditions of Certification - Issued - 15 Dec 10
GREC SCA Site Certification Final Order - Executed - 15 Dec 10

PSC Need Determination
Florida Public Service Commission Docket 090451-EM
http://www.psc.state.fl.us/dockets/cms/docketDetails.aspx?docket=090451
GREC PSC Final Order Granting Determination of Need PSC-10-0409-FOF-EM - Executed - 28 Jun 10

DEP Air Construction / PSD Permit
Florida Department of Environmental Protection Air Permit No. 0010131-001-AC
Prevention of Significant Deterioration File PSD-FL-411
Facility Id 0010131
http://www.dep.state.fl.us/Air/emission/bioenergy/gainesville.htm
GREC DEP Air Construction Permit Modification Response - Executed - 4 Apr 11
GREC DEP Air Construction Permit Revision Request - Executed - 25 Mar 11
GREC DEP Air Construction Permit Modification Request - Executed - 25 Mar 11
GREC DEP Air Construction Permit - Executed - 28 Dec 10
GREC DEP Air Construction Permit Final Determination - Executed - 28 Dec 10

DEP/EPA Title IV Acid Rain Permit
As required under Section 62.214.320, Florida Administrative Code, the application for a Title IV Acid Rain Permit will be submitted to the Florida Department of Environmental Protection and the Region 4 Office of the U.S. Environmental Protection Agency at least 24 months before the Facility commences operation. A designated representative form was already submitted to the EPA as set forth below.
GREC EPA Acid Rain DR Submittal - Executed - 1 Sep 10
GREC EPA Acid Rain DR Certificate - Executed - 1 Sep 10

DEP Title V Air Operating Permit
As required under Section 62.213.420, Florida Administrative Code, the application for the Title V Air Operation Permit will be submitted to the Florida Department of Environmental Protection within 180 days after the Facility commences operation.

FAA Determination of No Hazard
Federal Aviation Administration Aeronautical Study 2009-ASO-6685-0E

https://oeaaa.faa.gov/oeaaa/external/searchAction.jsp?action=displayOECase&oeCaseID=666984
GREC FAA Determination of No Hazard - Executed - 10 Dec 09
GREC FAA Determination of No Hazard – Extension – 8 Jun 11

DEP NPDES Industrial Wastewater Permit
The Facility is designed as a zero liquid discharge facility, and there will be no discharge of industrial wastewater to waters of the state. Consequently, a National Pollutant Discharge Elimination System ("NPDES") industrial wastewater discharge permit is not required.

DEP NPDES Stormwater Discharge Permit for Construction Activities
Florida Department of Environmental Protection Facility ID FLRI0KB70
GREC DEP Construction Stormwater NOI Approval - Executed - 16 Dec 10
GREC DEP Construction Stormwater Generic Permit - Executed - 17 Feb 09

DEP NPDES Stormwater Discharge Permit for Industrial Activities
Florida Department of Environmental Protection Facility ID FLRI0KB70
As required under Section 62.621.300(5), Florida Administrative Code, the Notice of Intent to use the NPDES stormwater multi-sector general permit for industrial activities will be submitted to the Florida Department of Environmental Protection before the Facility commences operation.

DEP Generic Permit for the Discharge of Produced Ground Water
Florida Department of Environmental Protection Facility ID FLRI0KB70
As required under Section 62.621.300, Florida Administrative Code, a Notice of Intent must be submitted by Contractor to the Florida Department of Environmental Protection prior to commencing dewatering activities.
GREC DEP Dewatering NOI Approval - Executed - 6 Apr 11
GREC DEP Dewatering Generic Permit - Executed - 14 Feb 10

ACOE Section 404 Jurisdictional Determination
US Army Corps of Engineers File SAJ-2009-03994
http://www.saj.usace.army.mil/Divisions/Regulatory/jdwebshare/Florida_Isolated_Wetland/20100209-JD-saj-2009-03994.pdf
GREC DEP Water Quality Certification Letter - Executed - 4 Jan 11
GREC DEP ERP Construction Commencement Notice - Executed - 20 Dec 10
ACOE Jurisdictional Determination - Filed - 4 Apr 10

Coastal Zone Management Certification
In Appendix 10.272 to its SCA application, GREC determined and certified that the Facility will comply with the requirements of the Florida Coastal Management Program ("FCMP") and that the Facility will be constructed and operated in a manner consistent with the requirements of the FCMP.

SRWMD Water Use Approval
Suwannee River Water Management District Application File 2-09-00040

GREC SRWMD GRU Alachua Reclaimed Water MOU - Executed - 9 Aug 10
GREC SRWMD GRU Alachua Reclaimed Water MOU - SRWMD Approved - 8 Jun 10
GREC SRWMD GRU Alachua Reclaimed Water MOU - GNV Approved - 14 Oct 10
GREC SRWMD GRU Alachua Reclaimed Water MOU - Alachua Approved - 9 Aug 10

SRWMD Water Well Construction Permits
Applications for permits to construct the process water wells must be prepared and submitted to Suwannee River Water Management District by the EPC Contractor within 90 days prior to commencing construction of such wells. The applications shall be based upon the sample application set forth below.
GREC SRWMD Water Use Permit Application - Filed - 1 Dec 09
Including Supplemental Groundwater Withdrawal Site Description Well WSW-1
Including Supplemental Groundwater Withdrawal Site Description Well WSW-2

DEP Potable Water Well Water Treatment System Permit (Non Transient Non Community Water System)
DOH Potable Water Well Water Treatment System Permit (Limited Use Well)
Applications for permits to construct the potable water wells must be prepared and submitted to Florida Department of Environmental Protection and the Florida Department of Health by the EPC Contractor within 90 days prior to commencing construction of such wells. The applications shall be based upon the sample application set forth below.
GREC Potable Water Well Permit Applications - Filed - 30 Nov 09

Hazardous Waste Disposal Permits
The Facility will not require a federal or state application or permit for hazardous waste disposal pursuant to the Resource Recovery and Conservation Act ("RCRA")

Site Access / Land Use Approvals

GRU Lease
GREC GRU Lease Agreement – Corrective – Unexecuted – June 2011 (anticipated execution)
GREC GRU Memorandum of Lease – Corrective – Unexecuted – June 2011 (anticipated execution)
GREC GRU Supplement to Early Construction Approval Letter - 15 Feb 11
GREC GRU Early Construction Approval Letter - 21 Jan 11
GREC GRU Lease Agreement - Executed - 28 Sep 09
GREC GRU Memorandum of Lease - Executed - 28 Sep 09

GRU Ingress and Egress Easement
GREC GRU Ingress Egress Easement – Corrective – Unexecuted – June 2011 (anticipated execution)
GREC GRU Ingress Egress Easement - Executed - 28 Aug 09

DEP Conservation Easement
GREC GRU Conservation Easement - Executed Recorded - 12 Jan 11
GREC GRU Wetlands Mitigation Letter - Executed - 4 Nov 09

DOT Driveway Permit
Florida Department of Transportation Permit 10-A-291-0004

GREC DOT Driveway Permit - Executed - 6 Jan 11
GREC DOT Drawings - Approved with Permit - 6 Jan 11 (14 documents)

Alachua County Class II Driveway Connection Permit
GREC Alachua County Driveway Agreement - Executed - 12 Jul 10
GREC Alachua County Driveway Permit - Executed - 12 Jul 10
GREC Alachua County Driveway Permit Drawing - Executed - 12 Jul 10

City of Gainesville Traffic Concurrence Exception Area (TCEA) Agreement
GREC City of Gainesville TCEA Agreement - Executed - 14 Dec 10

City of Gainesville Development Review and Concurrency Certification
City of Gainesville Planning & Development Services Petition DB-10-47
GREC City of Gainesville DRB Final Development Order - Executed - 20 Dec 10

City of Gainesville Building Permit
GREC City of Gainesville Building Permit - Executed - 6 Jan 11
GREC City of Gainesville Building Permit Drawings - Approved with Permit - 6 Jan 11 (122 documents)

City of Gainesville Site Work Permit
GREC City of Gainesville Site Work Permit - Executed - 6 Jan 11
See GREC City of Gainesville Building Permit Drawings - Approved with Permit - 6 Jan 11 (122 documents)

City of Gainesville Sewer Utility Use Permit
GREC City of Gainesville Sewer Utility Use Permit - Executed - 27 Jan 11

GRU Sewer Utility Construction Permit
GREC GRU Sewer Utility Construction Permit - Executed - 18 Nov 10
GREC GRU Sewer Utility Drawings - Approved with Permit - 18 Nov 10 (98 documents)

City of Gainesville Natural Gas Utility Use Permit
GREC City of Gainesville Natural Gas Utility Use Permit - Executed - 1 Mar 11

GRU Utility Agreement
GREC GRU Utility Agreement - Executed - 15 Apr 11

GRU Application for Electric Service
GREC GRU Application for Electric Service - Filed - 5 Jan 11

City of Gainesville Entrance Use Permit
GREC City of Gainesville Entrance Use Permit - Executed - 19 Nov 10

City of Gainesville Temporary Use Permit (Construction Laydown and Access)
GREC City of Gainesville Temporary Use Permit (Laydown) Modification - Executed - 12 Apr 11
GREC City of Gainesville Temporary Use Permit (Laydown) - Executed - 27 Jan 11

City of Gainesville Temporary Use Permit (Site Investigation Access)
GREC City of Gainesville Temporary Use Permit Extended - Executed - 28 Aug 09
GREC City of Gainesville Temporary Use Permit - Executed - 11 Aug 09

City of Gainesville Temporary Use Permit (Switchyard Construction)
GREC City of Gainesville Temporary Use Permit (Switchyard Construction) – Partially Executed - 10 June 11

CSX Grade Crossing
GREC GRU CSXT Supplemental Agreement - Unexecuted - June 2011 (anticipated execution)
GREC GRU CSXT Supplemental Agreement - Executed - 12 Jul 10
GREC CSXT Supplemental Agreement - Executed – 3 May 11

CSX Right of Entry
GREC CSX Right of Entry Agreement – Unexecuted - June 2011 (anticipated execution)

Appendix IV

Facility Description

The Facility will be a new one hundred (100) MW (total net) biomass-fired electric generating facility, consisting of a biomass fuel handling system, a biomass-fired boiler, a condensing steam turbine generator with evaporative cooling towers and auxiliary support equipment. The Facility will also utilize an Aquatech falling film Zero Liquid Discharge system to eliminate wastewater discharges. The Facility will be designed in accordance with standards normally used in the utility industry so that the Facility will, with standard operating and maintenance practices, be designed to provide full service over the forty-two (42)-year design life of the Facility.

The Facility will utilize a Metso bubbling fluidized bed boiler to produce 1,620 psig 1005 deg F superheated steam. The boiler will be equipped with a dry sorbent injection system and using Sodium Bicarbonate for acid gas control and a baghouse to control particulate matter. An aqueous ammonia injection Selective Catalytic Reduction ("SCR") system will be provided for NOx control. Superheated steam from the boiler will be admitted to a Sieman single steam turbine with four extractions for feedwater heating. The steam turbine will generate electricity before exhausting axially into the condenser with cooling water provided from the wet evaporative cooling tower.

The primary fuels for the Facility will be forest residue, mill residue, forest thinnings and urban wood waste. Supplementary fuels could include herbaceous plant matter, agricultural residues, woody storm debris, whole tree chips and pulpwood chips.

The biomass fuel handling system will consist of three truck tippers, two sets of screens and hogs, an automatic stacker/reclaimer system and a manual stacker/reclaimer system. Biomass fuel will be transported to the Facility Site by truck. Fuel will be transported into and out of on-site storage via a series of conveyors. The Facility will have conveyors leading from the storage piles to the boiler metering bins. From the metering bins, fuel will be distributed across the combustion zone of the boiler through a pneumatic feed system.

Electric power will be produced in the steam turbine generator at the nominal generator voltage. The Facility will increase the voltage at an on-site substation to 138 kV and transmit the power through aerial transmission lines to the interconnection point. When the steam turbine generator is off-line, station service power will be obtained by back feeding.

Appendix V

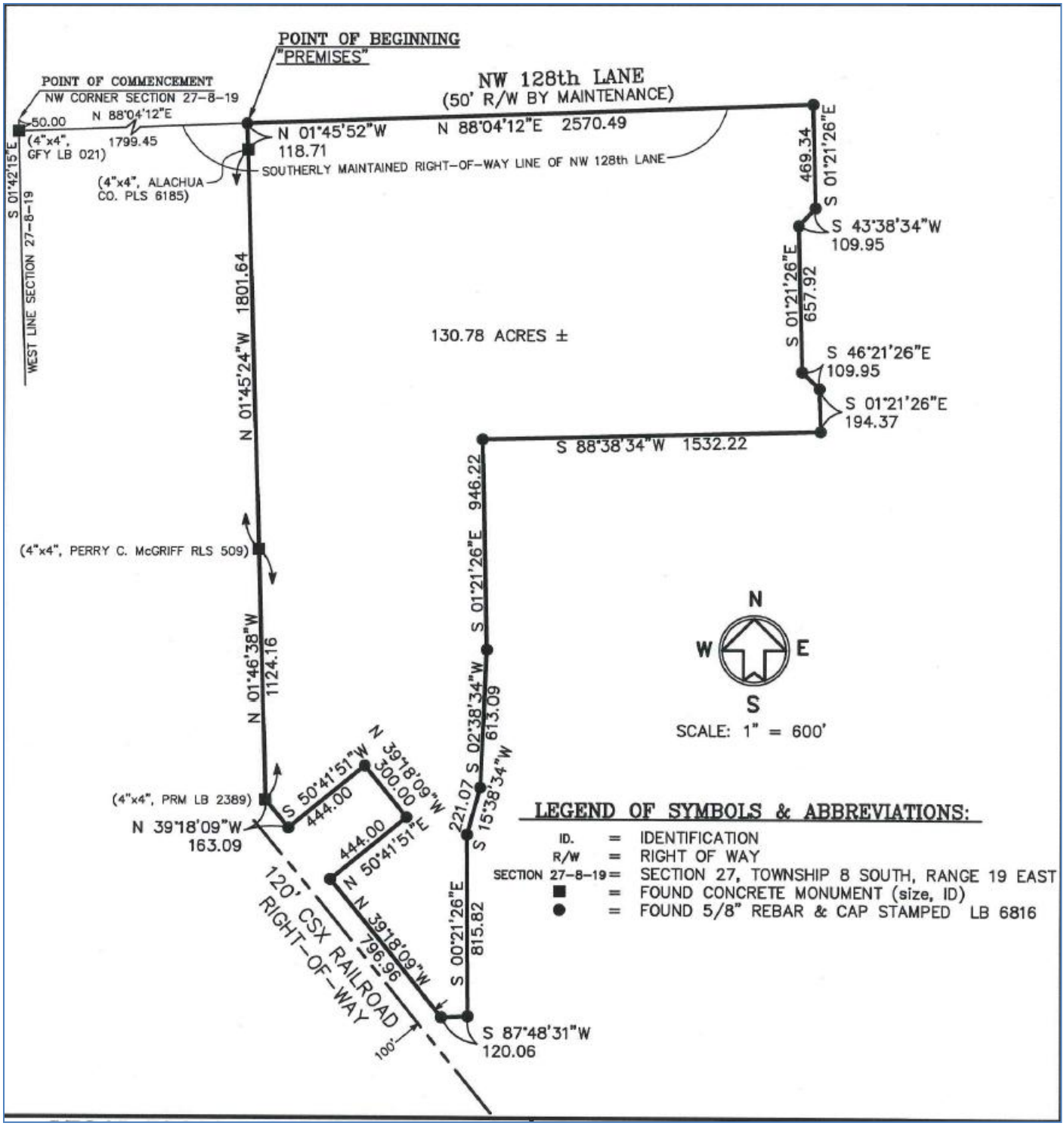
Facility Site

LEGAL DESCRIPTION – "PREMISES"

A PARCEL OF LAND IN SECTION 27, TOWNSHIP 8 SOUTH, RANGE 19 EAST, CITY OF GAINESVILLE, ALACHUA COUNTY, FLORIDA, LYING NORTH AND EAST OF THE CSX RAILROAD RIGHT-OF-WAY, BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS:

COMMENCE AT THE NORTHWEST CORNER OF SECTION 27, TOWNSHIP 8 SOUTH, RANGE 19 EAST, CITY OF GAINESVILLE, ALACHUA COUNTY, FLORIDA; THENCE S 01°42'15" E, ALONG THE WEST LINE OF SAID SECTION 27, A DISTANCE OF 50.00 FEET TO A CONCRETE MONUMENT STAMPED "GFY LB 021" MARKING THE INTERSECTION WITH THE SOUTHERLY MAINTAINED RIGHT-OF-WAY LINE OF NW 128TH LANE; THENCE RUN N 88°04'12" E, ALONG SAID SOUTHERLY MAINTAINED RIGHT-OF-WAY LINE, A DISTANCE OF 1799.45 FEET TO A REBAR & CAP STAMPED "LB 6816" FOR A POINT OF BEGINNING; THENCE CONTINUE N 88°04'12" E, ALONG SAID SOUTHERLY MAINTAINED RIGHT-OF-WAY LINE, A DISTANCE OF 2570.49 FEET TO A REBAR & CAP STAMPED "LB 6816"; THENCE S 01°21'26" E, A DISTANCE OF 469.34 FEET TO A REBAR & CAP STAMPED "LB 6816"; THENCE S 43°38'34" W, A DISTANCE OF 109.95 FEET TO A REBAR & CAP STAMPED "LB 6816"; THENCE S 01°21'26" E, A DISTANCE OF 657.92 FEET TO A REBAR & CAP STAMPED "LB 6816"; THENCE S 46°21'26" E, A DISTANCE OF 109.95 FEET TO A REBAR & CAP STAMPED "LB 6816"; THENCE S 01°21'26" E, A DISTANCE OF 194.37 FEET TO A REBAR & CAP STAMPED "LB 6816"; THENCE S 88°38'34" W, A DISTANCE OF 1532.22 FEET TO A REBAR & CAP STAMPED "LB 6816"; THENCE S 01°21'26" E, A DISTANCE OF 946.22 FEET TO A REBAR & CAP STAMPED "LB 6816"; THENCE S 02°38'34" W, A DISTANCE OF 613.09 FEET TO A REBAR & CAP STAMPED "LB 6816"; THENCE S 15°38'34" W, A DISTANCE OF 221.07 FEET TO A REBAR & CAP STAMPED "LB 6816"; THENCE S 00°21'26" E, A DISTANCE OF 815.82 FEET TO A REBAR & CAP STAMPED "LB 6816"; THENCE S 87°48'31" W, A DISTANCE OF 120.06 FEET TO A REBAR & CAP STAMPED "LB 6816" LYING 100.0 FEET NORTHEASTERLY, AS MEASURED PERPENDICULAR, FROM THE NORTHEASTERLY RIGHT-OF-WAY LINE OF THE CSX RAILROAD RIGHT-OF-WAY; THENCE N 39°18'09" W, PARALLEL WITH SAID NORTHEASTERLY RAILROAD RIGHT-OF-WAY LINE AND 100.0 FEET NORTHEASTERLY THEREFROM, A DISTANCE OF 796.96 FEET TO A REBAR & CAP STAMPED "LB 6816"; THENCE N 50°41'51" E, A DISTANCE OF 444.00 FEET TO A REBAR & CAP STAMPED "LB 6816"; THENCE N 39°18'09" W, A DISTANCE OF 300.00 FEET TO A REBAR & CAP STAMPED "LB 6816"; THENCE S 50°41'51" W, A DISTANCE OF 444.00 FEET TO A REBAR & CAP STAMPED "LB 6816"; THENCE N 39°18'09" W, PARALLEL WITH SAID NORTHEASTERLY RAILROAD RIGHT-OF-WAY LINE AND 100.0 FEET NORTHEASTERLY THEREFROM, A DISTANCE OF 163.09 FEET TO A CONCRETE MONUMENT STAMPED "PRM LB 2389"; THENCE N 01°46'38" W, A DISTANCE OF 1124.16 FEET TO A CONCRETE MONUMENT STAMPED "PERRY C. McGRIFF RLS 509"; THENCE N 01°45'24" W, A DISTANCE OF 1801.64 FEET TO A CONCRETE MONUMENT STAMPED "ALACHUA CO. PLS 6185"; THENCE N 01°45'52" W, A DISTANCE OF 118.71 FEET TO THE POINT OF BEGINNING.

CONTAINING 130.78 ACRES, MORE OR LESS.


POINT OF BEGINNING
"PREMISES"
POINT OF COMMENCEMENT
NW CORNER SECTION 27-8-19
N 88°04'12"E
50.00
(4"x4", GFY LB 021)
1799.45
S 01°42'15"E
WEST LINE SECTION 27-8-19
NW 128th LANE
(50' R/W BY MAINTENANCE)
N 01°45'52"W
118.71
N 88°04'12"E 2570.49
SOUTHERLY MAINTAINED RIGHT-OF-WAY LINE OF NW 128th LANE
(4"x4", ALACHUA CO. PLS 6185)
469.34
S 01°21'26"E
S 43°38'34"W
109.95
S 01°21'26"E
657.92
S 46°21'26"E
109.95
S 01°21'26"E
194.37
S 88°38'34"W 1532.22
130.78 ACRES ±
N 01°45'24"W 1801.64
(4"x4", PERRY C. McGRIFF RLS 509)
N 01°46'38"W
1124.16
S 01°21'26"E 946.22
S 02°38'34"W
613.09
S 15°38'34"W
221.07
(4"x4", PRM LB 2389)
N 39°18'09"W
163.09
S 50°41'51"W
444.00
N 39°18'09"W
300.00
444.00
N 50°41'51"E
120' CSX RAILROAD
RIGHT-OF-WAY
N 39°18'09"W
796.96
S 00°21'26"E
815.82
S 87°48'31"W
120.06
100'
N
W
E
S
SCALE: 1" = 600'
LEGEND OF SYMBOLS & ABBREVIATIONS:
ID. = IDENTIFICATION
R/W = RIGHT OF WAY
SECTION 27-8-19 = SECTION 27, TOWNSHIP 8 SOUTH, RANGE 19 EAST
■ = FOUND CONCRETE MONUMENT (size, ID)
● = FOUND 5/8" REBAR & CAP STAMPED LB 6816

Appendix VI

Performance Incentives, Bonus and Liquidated Damages

A. EMPLOYEE BONUS

1. NAES will pay its Facility Work Force an Employee Bonus as determined in accordance with this Appendix VI.
2. NAES will provide Employee Bonus payments to the Facility Work Force after funding of the amount due pursuant to Section 14 of the Agreement.
3. The Employee Bonus will be determined by calculating the product of the annual gross wages/salaries and the decimal equivalent of the bonus opportunity percentage (see table below) for each member of the Facility Work Force, then multiplying such product by the Bonus as divided by the Maximum Bonus, as defined in Section B below. This Employee Bonus will be paid in accordance with NAES's payroll procedures and treated as an Operating Cost.

Position	Bonus Opportunity
Plant Manager	[redacted]
Supervisors	[redacted]
Staff	[redacted]

Employee Bonus = (Gross Annual Wages/Salaries) * (applicable Bonus Opportunity) * [(Bonus) / (Maximum Bonus)].

4. "Gross Annual Wages/Salaries" is the sum of annual base wages/salaries and annual overtime wages. Calculation of the Bonus is defined below.

B. BONUS AND LIQUIDATED DAMAGES

1. Bonus. NAES may earn a Bonus in accordance with such criteria and metrics as are established in this Appendix VI. The sum total of the Bonus in any Operating Year is limited to [redacted] this number is the Maximum Bonus. The Maximum Bonus shall have a subjective component equal to [redacted] and an objective component equal to [redacted] each escalated as provided below.
2. Liquidated Damages. NAES may incur Liquidated Damages ("LDs") each Operating Year in accordance with such criteria and metrics as are established in this Appendix VI or as may be agreed between the Parties and set forth in an Annual Operating Plan for an Operating Year; provided, however, that the maximum amount of LDs that may be incurred by NAES in any Operating Year are limited to [redacted] this number is the Maximum LD amount.
3. Pro-ration and Escalation. For any Operating Year that is less than twelve calendar months, the total Bonus or LDs will be reduced by multiplying the then current total Bonus or LDs amount by the number of days in such partial Operating Year as divided by the total number of days in the applicable Operating Year. The Maximum Bonus and Maximum LD amount shall be escalated in the same manner as the Phase III Management Fee, as described in Section 15.3.2.

4. Subjective Bonus Criteria. Acting reasonably and in good faith, Owner shall evaluate NAES's performance using the criteria in the categories below.

(a) Fuel Yard Management (FYM)

i. Foster a healthy business relationship with fuel delivery companies.

ii. Manage fuel receiving and fuel storage effectively and efficiently.

iii. Maintain fuel material handling equipment, reclaimers and conveyor system.

iv. Minimize fuel delivery truck wait times and/or demurrage.

(b) Net Heat Rate Management (HRM)

i. Operate Facility components and systems in the most efficient manner, consistent with the dispatch ordered.

ii. Monitor Facility operating parameters and Net Heat Rate. Operating parameters include: fuel consumption; fuel quality; gross generation, auxiliary power consumption. Report anomalies and/or inconsistencies to the Owners along with appropriate recommendations.

iii. Be alert to potential dispatch operating profile inefficiencies and, as appropriate, recommend more efficient dispatch profiles to the Owners.

iv. Consistently monitor and analyze Facility and unit performance to identify potential problems or inefficiencies. Report these results in the Monthly Reports along with corrective actions/recommendations.

v. Aggressively identify and correct (as possible) all deficiencies (e.g. steam leaks, water losses, poorly operating equipment) that could degrade Facility efficiency in any operating condition. When appropriate, evaluate the root cause of deficiencies and poorly operating equipment. Report the status of this effort in the Monthly Reports.

vi. Identify and pursue initiatives to minimize the "house loads" required to support Facility operations.

vii. Based on Facility operating conditions and commercial considerations and as beneficial to the Owner, recommend appropriate maintenance periods to correct deficiencies that degrade Net Heat Rate and to most efficiently support optimum efficiencies during peak period operations.

viii. Train operators to recognize Facility operating parameters that potentially impact Facility Net Heat Rate. Monitor operator performance in regard to Net Heat Rate.

(c) [Other TBD mutually agreed criteria]

Owner shall then award NAES a multiplier between 1.0 and 0, inclusive, for its performance in each category. NAES shall be entitled to all, a portion, or none of the subjective component of the Maximum Bonus based on the following equation:

Bonus (subjective component) = MSB[(.3) (FYM)] + MSB[(.5) (HRM)] + MSB[(.2) (TBD)]

Where:

MSB equals the subjective component of the Maximum Bonus.
FYM equals the Owner-awarded multiplier for fuel yard performance.
HRM equals the Owner-awarded multiplier for heat rate.
TBD equals the Owner-awarded multiplier for TBD.

5. Objective Bonus and Liquidated Damages Criteria. During each Operating Year, based upon NAES performance measured using the equation below, NAES may earn or pay to Owner an amount up to the objective component of the Maximum Bonus or the Maximum Liquidated Damages.

Bonus/LD (objective component) = IM [(.2) (SUFM)] + IM[(.2)(WUFM)] + IM[(.4)(BPM)] + IM[(.1) (SPM)] + IM[(.1) (EPM)]

Where:

SUFM is the Summer Unavailability Factor Multiplier, whether negative or positive.
WUFM is the Winter Unavailability Factor Multiplier, whether negative or positive.
BPM is the Budget Performance Multiplier, whether negative or positive.
SPM is the Safety Performance Multiplier, whether negative or positive.
EPM is the Environmental Performance Multiplier, whether negative or positive.
IM is the Incentive Maximum, equal to the absolute value of the Maximum Liquidated Damages or the objective component of the Maximum Bonus.

5.1 Summer Unavailability Factor Multiplier (SUFM). At the end of the Summer Period (as defined within the Power Purchase Agreement), the actual SUF shall be calculated in accordance with the following formula:

SUF = ((POH + MOH + EFOH)/PH)* 100

Where:

POH Planned Outage Hours (as defined within the Power Purchase Agreement) during the Summer Period
MOH Maintenance Outage Hours (as defined within the Power Purchase Agreement) during the Summer Period
EFOH Equivalent Forced Outage Hours (as defined within the Power Purchase Agreement) during the Summer Period
PH Period Hours in Summer Period

The SUFM shall be then determined in accordance with the table below:

Actual SUF	Summer Unavailability Factor Multiplier
[redacted]	+1.0

[redacted]	0
[redacted]	-1.0

5.2 Winter Unavailability Factor Multiplier (WUFM). At the end of the Winter Period (as defined within the Power Purchase Agreement), the actual WUF shall be calculated in accordance with the following formula:

WUF = ((POH + MOH + EFOH)/PH)* 100

Where:

POH Planned Outage Hours (as defined within the Power Purchase Agreement) during the Winter Period

MOH Maintenance Outage Hours (as defined within the Power Purchase Agreement) during the Winter Period

EFOH Equivalent Forced Outage Hours (as defined within the Power Purchase Agreement) during the Winter Period

PH Period Hours in Winter Period

The WUFM shall be then determined in accordance with the table below:

Actual WUF	Winter Unavailability Factor Multiplier
[redacted]	+1.0
[redacted]	[redacted]
[redacted]	-1.0

5.3 Safety Performance Multiplier (SPM). The SPM is determined by the number of loss time injuries suffered by members of the Facility Work Force. Lost time injury shall have the definition given by OSHA regulations.

Number of Compliance Events	Safety Performance Multiplier
[redacted]	+ 1.0
[redacted]	0
[redacted]	- 1.0

5.4 Environmental Performance Multiplier (EPM). The EPM is determined by the number of notices of violation incurred by the Facility. A notice of violation is applied in the year that it is finally ordered.

Number of Notice of Violation	Environmental Performance Multiplier
[redacted]	+1.0

[redacted]	0
[redacted]	- 1.0

5.5 Budget Performance Multiplier (BPM). The BPM is determined by the percentage of actual expended amounts in relation to the Annual Budget, as updated, revised or amended pursuant to Article 5. The Budget Performance Multiplier is determined in accordance with the table below.

Percentage of Actual Expended Amounts to Annual Budget	Budget Performance Multiplier
[redacted]	1.0
[redacted]	0
[redacted]	- 1.0

Appendix VII

Projected O&M Budget Estimate

The tables and explanations in this Appendix VII are conceptual estimates only. Notwithstanding the numbers, assumptions, explanations, and exclusions set forth herein, this Appendix VII shall have no effect on Owner's obligations to fully fund Operating Costs, including, but not limited to labor costs under Section 14.2.3, and Reimbursable Costs as those terms are defined in the Agreement, whether such Operating Costs and Reimbursable Costs are more than, less than, or completely omitted from this budget estimate.

Without limiting the above, this Appendix VII's treatment of estimated labor costs in no way affects NAES's authority, control, and responsibility over its employees and their labor and benefits and Owner approval rights with respect to the Annual Budget, each as governed by Section 8.2 of the Agreement.

The inclusion of this budget estimate in no way creates a fixed price agreement for any aspect of NAES's services hereunder. NAES shall have no liability to Owner if assumptions and explanations in this Appendix VII prove to be inaccurate, now or in the future. Likewise, should Owner realize savings because actual costs are less than budget estimates, NAES shall have no entitlement to such savings.

PRELIMINARY TWENTY-YEAR O&M BUDGET ESTIMATE

Gainesville Renewable Energy Center

(2011 U.S. Constant Dollars In Thousands)

Line Item	Description	Phase I Pre - Mobilization	Phase II Mobilization	Year of Commercial Operations																		20 Year Average
	STG Overhaul Years			1	2	3	4	5	6 Major	7	8	9	10	11	12 Major	13	14	15	16	17	18 Major	19	20	
110	Training, Travel & General Expenses	0	[redacted]	[redacted]																			
210	Office Equipment & Furnishings	0																					
220	Office Supplies & Expenses	0																					
310	Maintenance Equipment & Tools	0																					
320	Plant Spares & Major Maintenance (3)	0																					
330	Consumables	0																					
335	Chemicals (1)	0																					
340	Plant Vehicles & Heavy Mobile Equipment (2)	0																					
410	Outside Services	0																					
430	Equipment Rental	0																					
440	Buildings & Grounds (4)	0																					
450	Utilities (Communications) (5)	0																					
460	Insurance	0																					
510	Staffing	0																					
550	Plant Labor (6)	0																					
610	Project Management (7)	T&M																					
710	Plant Program Development (8)	0																					
810	Management Fees (9)	0																					
	Facility Total:	**T&M**																					

General Assumptions and Notes:

a. Assumed one 100 MW BFB boiler with single steam turbine with associated ancillary equipment.
b. Values are shown at cost. No markup is included on any expense category.
c. Allowances for non-labor taxes, tariffs, and shipping, etc. (as required) are not included.
d. Costs are estimated in 2011 dollars. No escalation factor has been applied for future years.
e. Assumed base loaded facility. Cost of fuel is not included.

Specific Assumptions and Notes:

(1) Water treatment chemicals are estimated and will vary based on water quality and plant design water balance. An allowance for bed sand and ammonia will be provided by the Owner.
(2) Assumed purchase of heavy mobile equipment for fuel handling. Lease options may be available per Owner discretion. No allowance is included for replacement of heavy equipment used for fuel handling.
(3) Includes contractor services and labor required to conduct scheduled maintenance.
(4) No allowance for security services pending a security analysis.
(5) Utilities include allowance for telecommunications only. Back up power and interconnection fees are not included.
(6) The budget includes wages and benefits for plant staff of 44 people.
(7) Includes project management labor and travel expenses.
(8) Includes home office labor and travel related to development/establishment of plant programs and CMMS.
(9) Includes fixed and incentive fee components, shown as 100% earned. Assumes a long term cost reimbursable O&M Agreement to be negotiated.

1. O&M Budget Assumptions

NAES bases its O&M budget estimate upon the following assumptions:

Technical

- The 100 MW (net) plant consists of one 930,000 lb/hr Metso Bubbling Fluidized Bed Boiler with a 116.1 MW Siemens Steam Turbine Generator. The plant will be equipped with a baghouse and an aqueous ammonia injection Selective Catalytic Reduction ("SCR") for emissions control and an Aquatech falling film Zero Liquid Discharge system. The fuel yard will be equipped with an automated stacker/reclaimer system and a manual stacker/reclaimer system.

- The Owner will provide temporary or permanent onsite office and storage facilities for NAES use during the pre-mobilization and mobilization period.

- The Owner/EPC contractor will furnish the initial supply of all chemicals, gasses, resins, lubricants, and other consumables used during testing and startup. The Owner/EPC will top off all such consumables prior to the start of commercial operations.

- The facility will be constructed in a "ready-to-operate" condition; i.e., all equipment, utilities, and appurtenances will be in place and in proper working order at the time the plant is turned over to NAES. The resolution of all deficiencies ("punch list" items, etc.) will be the responsibility of the EPC contractor.

Commercial

- All costs are stated in constant May 2011 U.S. dollars. No allowance has been made for the effects of inflation in future years.

- The Commercial Operations date is November 30, 2013. NAES recruiting activities will begin upon Notice to Proceed with onsite activities commencing within one year of the Commercial Operations date.

- Facility testing and startup will be the responsibility of the EPC contractor, with operational support provided by NAES's plant personnel under the supervision, direction, and control of the EPC contractor.

- NAES has not made an allocation for any fees for licenses, permits, and emissions.

- NAES excludes sales, business, and other revenue-based taxes. In addition, taxes and duties on the import of equipment, parts, consumables, and tools, if any, are excluded. NAES will be responsible for its corporate taxes.

- The Owner/EPC will provide all necessary documentation, drawings, and vendor manuals necessary for NAES to develop the appropriate operating procedures and operational programs in a manner that allows compliance with a plan that meets the startup and testing

schedule.

- The fuel is forest residue, urban wood waste and other clean sources of wood (biomass). NAES does not include the costs for fuel, fuel delivery, and fuel taxes in the budget. No secondary or backup fuel will be used. NAES did not include utility costs (water, sewage, waste discharge, and electricity), including interconnection fees, in the budget.

- NAES did not include utility costs (water, sewage, waste discharge, and electricity), including interconnection fees, in the budget.

- All major equipment items are under EPC/OEM warranty during their first year of operation.

- No allowance has been made for plant capital improvements, design changes, or events of force majeure.

- No allowance has been made for unscheduled repairs caused by a breakdown of major plant components.

- Due to the complexity of environmental matters, including division of responsibility between the Owner and NAES, environmental services are outsourced or provided by NAES at mutually agreed pricing.

- Workers Compensation and NAES's liability and automobile insurance have been included.

- The Owner will establish an operating account to pay for cost reimbursable expenses. This account allows funds to be deposited by the Owner in an account on a monthly basis in accordance with the budget and appropriate reconciliation, which the NAES uses to pay approved invoices. NAES will use such an account to pay approved, budgeted invoices as incurred with no markup.

Organizational

- NAES has assumed initial staffing as a non-union operation and no applicable collective bargaining agreement exists or will exist in the future. No allowance has been made for the provision of labor relations services (i.e., election campaign, contract negotiations, and ongoing contract administration) by NAES personnel or outside consultants. If these assumed conditions change, all expenses related to labor relations matters would be considered reimbursable.

- The plant will be staffed 24 hours per day, seven days per week, 52 weeks per year.

- Plant labor costs (wages, overtime, and burden) have been estimated based on current information regarding the plant configuration, operating profile, and labor information. Actual compensation will be competitive with prevailing industry wages and benefits, reflective of statutory requirements, and consistent with NAES personnel policies.

- A formal, onsite training program (integrated plant operations) will be established that will ensure plant operators are fully prepared to support startup and commercial operations of the plant. Such a program will be integrated with the training provided by the EPC and the major equipment vendors. The curriculum will provide training on plant operations and emergency response procedures. As a follow up to training, NAES will implement testing designed to ensure that all operators acquire and retain the knowledge required to safely operate the plant.

Operations

- The Facility will operate as a dispatchable unit. For budget purposes, 7884 operating hours has been assumed.

- Inspections/overhauls on the steam turbine is scheduled to occur at the most effective cycle times in accordance with OEM recommendations.

- During commercial operations plant personnel will be responsible for all plant equipment and lines within the boundary of the power plant.

- Estimated costs have been included for outage related activities, services, and materials that will be provided by the plant in support of scheduled maintenance.

- NAES will implement or arrange for implementation of security measures in accordance with the Facility security plan.

2. Budget Rationale

Definitions of each line item and the rationale used in developing the O&M budget estimate are provided below.

110 – Training, Travel, and General Expenses

This line item accounts for:

- Travel and administrative costs associated with orientation and training of the Plant Manager and Office Supervisor at NAES's Home Office.
- Specialty Training/Conferences
- Travel related expenses
- Community Relations
- Uniforms
- Employee Relations
- Licenses and Memberships Dues

Note: No Facility labor is included in the above costs; all Facility labor is accounted for under **line item 550 – Plant Labor.**

210 – Office Equipment & Furnishings

This line item accounts for the cost of purchasing the initial inventory of office equipment (e.g., FAX machine, copy machine), kitchen equipment (e.g., microwave oven, coffee makers, refrigerator), furnishings (e.g., desks, chairs, tables), and computer hardware (e.g., PCs, printers) during the Mobilization Period, plus an annual allowance for servicing and/or replacement of such equipment and computer hardware.

Note: The MAS 90 license is included in **Line Item 610 – Project Management** and the MP-2 CMMS license is included in **Line Item 710 – Program Development.**

220 – Office Supplies & Expenses

This line item accounts for the cost of purchasing the initial inventory of office supplies (e.g., paper supplies, writing products, office accessories, computer and reprographic supplies) during the Mobilization Period, plus an annual allowance for the restocking of such supplies as used. Also included are certain expenses associated with running the office such as postage and office equipment service contracts. In addition, expenses pertaining to employee uniforms and footwear, supply of drinking water, and cafeteria supplies have been accounted for in this line item.

310 – Maintenance Equipment & Tools

This line item accounts for the cost of purchasing capital and expendable maintenance equipment and tools for use by the plant maintenance personnel. This account also includes an annual allowance for the repair and/or replacement of such equipment and tools. NAES anticipates setting up an electrical/I&C shop, maintenance workshop, and a laboratory with equipment and such tools as:

Area	Equipment/Tools
Electrical/I&C Shop	• Frequency Recorder • Relay tester • Circuit finder • Power supply • Hotsticks • Various electronic meters and test equipment • Miscellaneous tools • Multi – meters • Pressure transmitter calibrator

Area	Equipment/Tools
Maintenance Workshop	• Air compressor • Tube bender • Welder • Drill press • Pneumatic tools • Multimeters • Rigging • Misc. hand and portable tools • Vibration monitoring field equipment
Laboratory	• pH meter • Spectrophotometer • Conductivity meter • Miscellaneous lab supplies
Other Items	• Safety equipment (e.g., respiratory protection equipment, first aid kits, hard hats) • Radios • Warehouse storage boxes, shelving, and cabinets

Note: For the purposes of this budget estimate, it is assumed that major machining services will be locally available from an outside commercial shop.

320 – Plant Spares & Major Maintenance

A preliminary twenty-year Spare Parts and Major Maintenance Budget for the Plant is shown in Figure 1. The budget is based upon information currently available on the proposed Facility, NAES power plant operations experience, and the assumptions and rationale presented in this section.

The plant spares portion of this line item accounts for the cost of purchasing an initial inventory of plant spares during the Mobilization Period, plus an annual allowance for the purchase/restocking of such spares as they are used. Plant spares are unique parts that are purchased for maintenance and repair activities. They are associated with specific equipment items and are identified with separate part numbers. They include both operational spares for daily, routine maintenance and replacement spares for planned and forced outage maintenance.

It will be NAES philosophy to work closely with the Owner to determine the appropriate amount of spare parts given site-specific conditions, operating schedule, timing of inspections, and project economics. The initial spare parts reviews will be based upon EPC/vendor

recommendations. In addition, in developing a plan for spare parts, specific consideration should be given to the timing of inspections and overhauls.

Facility spares for the maintenance of the boiler, steam turbine, fuel and ash handling equipment, and balance of Facility (BOP) equipment (e.g., cooling tower, condensers, compressors, building, electrical/substation, fuel handling equipment, water storage, DCS, and miscellaneous equipment and systems) have been included in the estimate.

The Major Maintenance portion of this line item accounts for the cost of hiring outside vendors (including labor and supervision) to perform scheduled inspections and overhauls on the boiler, steam turbine, fuel and ash handling equipment, and balance of Facility equipment.

Allowances for major maintenance on the boiler, steam turbine, fuel and ash handling equipment, and balance of Facility equipment have been included in the estimate.

This line item also includes allowances for the long-term replacement and rebuild costs associated with high dollar Facility equipment, such as the boiler superheater sections, economizer sections, feed water heater, air heaters, steam turbine blades, and DCS upgrade.

Note: Specifically excluded from this line item are common parts and supplies (e.g., nuts, bolts, valve packing). These are accounted for under line item 330 – Consumables. An allowance for heavy lift equipment required for major maintenance is allocated under line item 430 – Equipment Rental.

GAINESVILLE RENEWABLE ENERGY CENTER
SPARE PARTS, CONTRACT SERVICES, AND MAJOR MAINTENANCE SCHEDULE AND COST ESTIMATE (2011 $ in X000's)

Equipment/System	Quantity in Plant	Type	Frequency (Every X Year)	1 X 100 MW BFB Boiler ST Pre-Com'l Spares $	Com-mercial $	Commercial Operating Year 1 2013	2 2014	3 2015	4 2016	5 2017	6 2018	7 2019	8 2020	9 2021	10 2022	11 2023	12 2024	13 2025	14 2026	15 2027	16 2028	17 2029	18 2030	19 2031	20 2032	20 Year Averages
						Insp Wrnty	Insp Minor		Insp Minor		Major Major		Insp Minor		Insp Minor		Major Major		Insp Minor		Insp Minor		Major Major		Insp Minor	
Ash Disposal System		Sp																								
Annual General Maintenance		Sp	1																							
Outage Maintenance		Sp	2																							
Screw Replacement		SP	6																							
Screw Replacement		Con	6																							
Boiler Feed Pumps	2	Sp																								
Pump Overhaul		Sp	4,5																							
Annual General Maintenance		Sp	1																							
Motor Overhaul		Con	4,5																							
Boiler Systems - BFB	1	Sp																								
Annual Boiler Maintenance		Sp	1																							
UT Wall Thickness Test (base line Yr 1)		Con	2																							
Boiler Inspection		Con	2																							
Boiler Wash		Con	1																							
Safety Valve Repairs / Overhaul*		Sp	2																							
Safety Valve Testing*		Con	1																							
Scaffolding Inside Boiler		Con	2																							
Scaffolding Inside Boiler		Sp	2																							
Refractory		Sp																								
Refractory		Con																								
Major Outage Repairs		Sp	6																							
Major Outage Repairs		Con	6																							
Soot Blower Maintenance		Sp	3																							
Soot Blower Overhaul		Con	3																							
Fuel Feed System		Con	2,4,6																							
Fuel Feed System		Sp	2,4,6																							
Superheater Tube Replacement - (Primary, Secondary, Tertiary)		Sp	~10																							
Superheater Tube Replacement - (Primary, Secondary, Tertiary)		Con	~10																							
Economizer Replacement		Sp	~10																							
Economizer Replacement		Con	~10																							
Bottom (Course) Ash Handling System		Sp																								
Annual General Maintenance		Sp	1																							
Outage Maintenance		Sp	2																							
Bottom Ash Blowers Maintenance		Sp																								
Drag Chain Conveyor Repairs		Sp	1																							
Drag Chain Conveyor Replacement	2	Sp	5,6																							
Drag Chain Conveyor Replacement	2	Con	5,6																							
Chute Replacement		Sp	8																							
Screw Conveyor Repairs		Sp	1																							
Screw Conveyor Replacement	3	Sp	5,6,7																							
Screw Conveyor Replacement	3	Con	6																							
Building & Grounds		Sp		See																						
Chimney		Sp																								
Inspection		Con	2																							
Circulating Water System	2	Sp																								
Annual General Maintenance		Sp	1																							
Circ. Pump Major Overhauls		Con	5,6																							
Motor Overhaul		Con	10																							

Figure 1. Spares and Major Maintenance detail.

GAINESVILLE RENEWABLE ENERGY CENTER

SPARE PARTS, CONTRACT SERVICES, AND MAJOR MAINTENANCE SCHEDULE AND COST ESTIMATE (2011 $ in X000's)

Equipment/System	Quantity in Plant	Type	Frequency (Every X Year)	1 X 100 MW BFB Boiler ST Pre-Com'l Spares $	Com-mercial $	Commercial Operating Year 1 2013	2 2014	3 2015	4 2016	5 2017	6 2018	7 2019	8 2020	9 2021	10 2022	11 2023	12 2024	13 2025	14 2026	15 2027	16 2028	17 2029	18 2030	19 2031	20 2032	20 Year Averages
						Insp Wrnty	Insp Minor		Insp Minor		Major Major		Insp Minor		Insp Minor		Major Major		Insp Minor		Insp Minor		Major Major		Insp Minor	
Closed (Auxiliary) Cooling Water System		Sp																								
Annual General Maintenance		Sp	1																							
Major Pump Overhaul		Con	5,6																							
Motor Overhaul		Con	10																							
Compressed Air Systems		Sp																								
Annual General Maintenance		Sp	1																							
Major Overhaul		Con	6																							
Condensate Pumps	2	Sp																								
Annual General Maintenance		Sp	1																							
Pump Overhaul		Sp	5,6																							
Motor Overhaul		Con	10																							
Combustion Air		Sp																								
Annual General Maint.		Sp	1																							
Primary Air Fan Repair/Overahaul		Sp	6																							
Primary Air Fan Repair/Overahaul		Con	6																							
Primary Air Steam Coil Air Heater Repair		Sp	3																							
Primary Air Steam Coil Air Heater Replacement		Sp	12																							
Secondary Air Fan Repair/Overahaul		Sp	6																							
Secondary Air Fan Repair/Overahaul		Con	6																							
Secondary Air Steam Coil Air Heater Repair		Sp	3																							
Secondary Air Steam Coil Air Heater Replacement		Sp	12																							
Condenser & Vacuum System	1	Sp																								
General Maintenance		Sp	1																							
Mechanical Cleaning		Con	6																							
Auto-Cleaning System		Sp	1																							
CEMS (Emissions Monitoring)	1	Sp																								
Annual General Maintenance		Sp	1																							
Cooling Tower	5 cells	Sp																								
Annual General Maintenance		Con	1																							
Fill Replacement		Sp	6																							
Major Maintenance		Con	6																							
Dust Control System		Sp																								
Annual General Maintenance		Sp	1																							
Major Pump Repairs		Con	6																							
DCS/Controls		Sp																								
Annual General Maintenance		Sp	1																							
Vendor Support		Con	1																							
DCS Upgrades (non-capital)		Sp	12																							
Electrical		Sp	100																							
13.8 STG, 13.8 Station, 3x4160, 15x480, EDG																										
Annual Preventive Maintenance		Con	1																							
Parts & Repairs		Sp	1																							
Relay Calibration & Testing		Con	3																							
Transformer Oil Testing		Con	1																							
UPS/Battery Inspection/Repairs		Con	6																							
Emergency Gen -- Annual Maint		Sp	1																							
Feedwater Heaters/Deaerator		Sp																								
Annual General Maintenance		Sp	1																							
Retubing One Heater		Con	15,17,19																							
Retubing One Heater		Sp	15,17,19																							
Fire Protection System	1	Sp																								
Annual General Maintenance		Sp	1																							
Inspections & Certification		Con	1																							
Pump & Engine Major Rebuild		Con	6																							

[redacted]

GAINESVILLE RENEWABLE ENERGY CENTER
SPARE PARTS, CONTRACT SERVICES, AND MAJOR MAINTENANCE SCHEDULE AND COST ESTIMATE (2011 $ in X000's)

Equipment/System	Quantity in Plant	Type	Frequency (Every X Year)	1 X 100 MW BFB Boiler ST Pre-Com'l Spares $	Com-mercial $	Commercial Operating Year 1 2013	2 2014	3 2015	4 2016	5 2017	6 2018	7 2019	8 2020	9 2021	10 2022	11 2023	12 2024	13 2025	14 2026	15 2027	16 2028	17 2029	18 2030	19 2031	20 2032	20 Year Averages
						Insp Wrnty	Insp Minor		Insp Minor		Major		Insp Minor		Insp Minor		Major		Insp Minor		Insp Minor		Major		Insp Minor	
Flue Gas System		Sp																								
Annual General Maintenance		Sp	1																							
Induced Draft Fan Overhaul	2	Con	5,6																							
FGR Fan Overhaul	1	Con	5																							
Baghouse Filter Replacement		Sp	3,6,9																							
Baghouse Filter Replacement		Con	3,6,9																							
Baghouse Cage Replacement		Sp	10																							
Baghouse Inspection		Con	3																							
Primary Air Heater (Tubular) Replacement	1	Sp	3																							
Primary Air Heater (Tubular) Replacement	1	Con	3																							
Secondary Air Heater (Tubular) Replacement	1	Sp	10																							
Secondary Air Heater (Tubular) Replacement	1	Con	10																							
Fly Ash Handling System		Sp																								
Annual General Maintenance		Sp	1																							
Fly Ash Silo Repairs		Sp	6																							
Ash Fluidizing Blowers Major Maintenance		Con	3																							
Ash Screw & Trough Replacement		Sp	6																							
Fuel Handling & Feed		Sp																								
Annual General Maintenance		Sp	1																							
Annual General Maintenance		Con	2																							
Fuel Conveyor Replacement		Sp	2																							
Fuel Conveyor Replacement		Con	2																							
Hammermill Repair		Sp	1																							
Hammermill Repair		Con	1																							
Generator Systems	1	Sp																								
Annual General Maintenance		Sp	1																							
Minor Inspection		Con	2																							
Major Overhaul		Sp	6																							
Major Overhaul		Con	6																							
Rewedging		Con	12																							
Rotor Bore Inspection		Con	12																							
HVAC Equipment		Sp																								
Annual General Maintenance		Sp	1																							
AC Replacement Units		Sp	7,8,16,17																							
Insulation Repairs		Sp																								
Periodic Repairs		Con	1																							

GAINESVILLE RENEWABLE ENERGY CENTER
SPARE PARTS, CONTRACT SERVICES, AND MAJOR MAINTENANCE SCHEDULE AND COST ESTIMATE (2011 $ in X000's)

Equipment/System	Quantity in Plant	Type	Frequency (Every X Year)	1 X 100 MW BFB Boiler ST Pre-Com'l Spares $	Com-mercial $	Commercial Operating Year 1 2013	2 2014	3 2015	4 2016	5 2017	6 2018	7 2019	8 2020	9 2021	10 2022	11 2023	12 2024	13 2025	14 2026	15 2027	16 2028	17 2029	18 2030	19 2031	20 2032	20 Year Averages
						Insp Wrnty	Insp Minor		Insp Minor		Major Major		Insp Minor		Insp Minor		Major Major		Insp Minor		Insp Minor		Major Major		Insp Minor	
Raw Water Supply & Water Treatment		Sp																								
Annual General Maintenance		Sp	1																							
Micro Filter Maintenance - Outage		Sp	5																							
Micro Filter Maintenance - Outage		Con	5																							
Annual Micro Filter Maintenance (service cntrct.)		Con	1																							
E-Cell Maintenance - Outage		Sp	5																							
E-Cell Maintenance - Outage		Con	5																							
Annual E-Cell Maintenance (service contract)		Con	1																							
Pump Overhaul -- Raw Water Pumps		Sp	5,6																							
Motor Overhaul		Con	10																							
Outage Maintenance -- chemical injection		Sp	6																							
RO System Maintenance (service contract)		Con	1																							
Selective Non-Cataytic Recuction (SNCR)	1	Sp																								
Annual General Maintenance		Sp	1																							
Annual General Maintenance		Con	1																							
Turbine Systems	1	Sp	Sp																							
Warranty Inspection		Sp	1st Yr																							
Warranty Inspection		Con	1st Yr																							
Annual General Maintenance		Sp	1																							
Minor Inspection		Sp	2																							
Minor Inspection		Con	2																							
Major Overhaul		Sp	6																							
Major Overhaul		Con	6																							
Replacement Blades		Sp	18																							
Replacement Blades		Con	18																							
Oil Sampling Program (4 times/yr)		Con	1																							
Annual Controls Maint.		Sp	1																							
Rotor Bore Inspection		Con	12																							
Zero Liquid Dicharge (ZLD)	1	Sp																								
Annual General Maintenance		Sp	1																							
Annual General Maintenance		Con																								
Motor Maintenance and Rewind Services		Sp																								
Annual Allowance of 1-2 per year		Con	1																							

Notes:

1 No major failures, design problems, etc. are planned for.
2 Where contractor is shown, plant labor may be included in these work tasks
3 Capital items, tools, and rental equipment not included in above.
4 Type:
"Sp" = Spare Parts.
"Con" = Contractor. Includes contractor labor and supervision, typically for specialty tasks and major maintenance conducted by Contracted firms.

Summary of Spare Parts and Major Maintenance

NAES BUDGET LINE ITEMS Summary for Above Items	Type	Pre-Com'l Spares $	Commercial Operating Year 2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032	20 Year Averages
Boiler Outage Schedule																							
Turbine-Generator Outage Schedule																							
Spare Parts	Sp																						
Major Maintenance	Con																						
Totals																							

330 – Consumables

This line item accounts for the cost of purchasing an initial supply of consumables during the Mobilization Period and the annual cost to replenish such consumables as they are used. Consumables are those materials and supplies that are used up ("consumed") during the normal course of operating and maintaining the Facility.

They include items such as:

- Mechanical Maintenance Supplies
- Electrical / I&C Supplies
- Lubricants
- Gasses (incl H2)
- CEMS Gases
- Other Consumables
- Laboratory Supplies
- Safety Supplies
- Housekeeping Supplies

Note: Chemicals are purchased under line item 335 – Chemicals. In addition, initial consumables do not include those provided by Owner/EPC contractor for Plant startup and testing activities.

335 – Chemicals

This line item accounts for the cost of purchasing chemicals necessary to support Facility operations. Chemicals include those used for:

- Raw water filtering and pre-treatment, if required
- Potable water treatment
- Cooling tower basin water treatment
- Closed cooling water treatment
- Demineralization and boiler water treatment
- Neutralization of regeneration wastewater, if required
- Make-up sand consumption
- Chemicals for ZLD
- Water testing laboratory reagents

The estimate includes chemical costs for cooling tower basin chemistry control, demineralization, as well as boiler chemicals and neutralization of waste water for discharge.

Chemical costs are based on an analysis of the water treatment costs in the plant by GE Infrastructure Water & Process Technologies.

Plant	Gainesville Renewable Energy Co				**Operating Condition**	Maximum water usage						
Location	Gainesville, FL				**Water Balance Dwg**	40% Well Water Prelim Wtr Bal						
Type	Biomass					D013756-SRWM00003 sht1 RevB						
Size	100 MW				**Water Source**	Reclaim and well waters						
					Waste Discharge	Thermal ZLD						

Line #	System	Equipment	Avg Flow	Units	Days/yr	Chemical/ component	Dosage ppm	cost $/#	cost/mo $/mo	Annual Use ton/yr	Annual Cost $K/yr	Comments/Basis
	Reclaim Water		417	gpm		NaOCl				[redacted]		
	Well Water		649	gpm		NaOCL						
	Cool Twr	Evap = 1010 gpm	165	gpm		corr inhib deposit control Non ox biocide						7 cycles BD= 165 gpm
			1011	gpm		Hypochlorite Acid - H2SO4						This cost higher due to 165 gpm blowdown not 150 gpm
	Potable wtr		2	gpm		(from City)						
	Sanitary wst		2	gpm		Septic tanks						
	Cycle MU	2 - ultra Filters	65	gpm		Chem and CIP UF membranes						NAES should add replacemt $ NAES should add replacemt $
		2 - Cartridge filters										
		2 -100% RO	59			bisulfite anti scalant RO CIP						
						RO membrane replace RO Power costs						NAES should add replacemt $ NAES should add $ for power
	EDI		44	gpm		EDI CIP EDI membranes						NAES should add replacemt $
						EDI Power costs						NAES should add $ for power
		Mixed Bed bottles	44	gpm		Bottle replacement						NAES should add replacemt $
	Boiler Trtmt					internal - phosphate ammonia oxygen scavenger						based on 1 MM#/hr steam 19% NH3 NAES to determine
						nitrogen - storage						Naes to determine
	Waste Trtmt	Thermal evaporation	165	gpm		chemicals power						Power costs estimated at $345K/yr
						sludge disposal						NAES add $ for sludge disposal at $50/Ton
	Aux blr trt											No info provided for aux blr
	Testing					lab reagents panel reagents cation columns						NAES to estimate NAES to estimate NAES to estimate

Initial Fill	units		Consumption	units	Annual Consumption	Cost	units	Total Cost (thousands)
			By Owner	lb/hr	By Owner		lb	By Owner
220	tons	Sand	By Owner	tons/month	By Owner		ton	By Owner
		Propane						

	Pre-Com	Year 1
Wtr Trtmt Chem - Cooling Tower		[redacted]
Wtr Trtmt Chem - Boiler		
Wtr Trtmt Chem - Waste Water		
RO Chem		
BFB Sand		
Ammonia		

340 – Plant Vehicles

This line item accounts for the purchase, during the mobilization period, of:

Gainesville Renewable Energy Center
Plant Vehicles and Heavy Equipment

Plant Vehicles & Replacement (Light)

Type of Vehicles:	Cost per Vehicle	# of Vehicles
3/4 Ton Pickup Truck	$ [redacted]	1
Half-Ton Pickup Truck	$	1
Maintenance Service Truck	$	1
Forklifts - Small	$	1
Forklifts - Large	$	1
Bobcats	$	1
Electric Golf carts w/flatbeds	$	1

Plant Vehicles & Replacement (Heavy)

Type of Vehicles:	Cost per Vehicle	# of Vehicles
D8 Dozer with blade (new)	$ [redacted]	1
D8 Dozer with blade (used)	$	1
Front End Loader	$	1

Plant Vehicles	Mobilization Period
Plant Vehicles & Replacement (Light)	$ [redacted]
Plant Vehicles & Overhaul (Heavy)	$
Fuel & Lube Oil & Maint	$
Total:	**$**

An annual allowance for vehicle operating costs (e.g., maintenance, fuel, oil, tires) has also been included in the budget. An allowance for replacement of one vehicle every five years has been included in the budget. It is assumed that the forklift and lift truck will be maintained for long-term service at the Facility. Actual purchases or leases of specific vehicles shall be discussed and coordinated with Owner. It is assumed that major lifting pieces of equipment such as mobile cranes will be rented from local providers as needed.

Line Item 340 - Plant Vehicles	Phase II Period	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10	Year 11	Year 12	Year 13	Year 14	Year 15	Year 16	Year 17	Year 18	Year 19	Year 20
Plant Vehicles & Replacement (Light)																					
Plant Vehicles & Overhaul (Heavy)																					
Fuel & Lube Oil & Maint																					
Totals:																					

ESCALATION FACTOR: 1

											1	2	3	4	5	6	7	8	9	10	
											Replacement Schedule										
Plant Vehicles & Replacement (Light)																					
Type of Vehicles:	**Cost per Vehicle**	**# of Vehicles**	**Replacement Period**	**# Replaced**	**Phase II Period**	**Year 1**	**Year 2**	**Year 3**	**Year 4**	**Year 5**	**Year 6**	**Year 7**	**Year 8**	**Year 9**	**Year 10**	**Year 11**	**Year 12**	**Year 13**	**Year 14**	**Year 15**	**Year 16**	**Year 17**	**Year 18**	**Year 19**	**Year 20**
3/4 Ton Pickup Truck	$																				
Half-Ton Pickup Truck	$																				
1-Ton Flat-Bed Truck w/ boom & lift gate	$																				
Ford Ranger	$																				
Maintenance Service Vehicle	$																				
Lube / FuelTruck	$																				
Street Sweeper	$																				
Forklifts - Small	$																				
Forklifts - Large	$																				
Bobcats	$																				
Trailer - Large	$																				
Trailer - Small	$																				
Solar Mirror Washing Truck	$																				
Manlift	$																				
Electric Golf carts w/flatbeds	$																				

Fuel & Lube Oil & Maint		**Fuel Cost:**	$ 3.50																			
Fuel Prices	**# of Vehicles**	**Miles/Year**	**Mpg**	**Annual Maint.**	**Phase II Period**	**Year 1**	**Year 2**	**Year 3**	**Year 4**	**Year 5**	**Year 6**	**Year 7**	**Year 8**	**Year 9**	**Year 10**	**Year 11**	**Year 12**	**Year 13**	**Year 14**	**Year 15**	**Year 16**	**Year 17**	**Year 18**	**Year 19**	**Year 20**
3/4 Ton Pickup Truck	1	15000	13	$																				
Half-Ton Pickup Truck	1	10000	15	$																				
1-Ton Flat-Bed Truck w/ boom & lift gate	0	55000	7	$																				
Ford Ranger	0	25000	18	$																				
Maintenance Service Vehicle	1	6000	15	$																				
Lube / FuelTruck	0	40000	11	$																				
Street Sweeper	0	30000	11	$																				
Forklifts - Small	1	1000	8	$																				
Forklifts - Large	1	1000	5	$																				
Bobcats	1	4000	8	$																				
Trailer - Large	0	15000	1	$																				
Trailer - Small	0	10000	1	$																				
Mirror Washing Truck	0	35000	3	$																				
Manlift	0	265000	5	$																				
Electric Golf carts w/flatbeds	1	10000	100000	$																				

Plant Vehicles & Overhaul (Heavy)			**Overhaul Year**	**Overhaul Year**																			
Heavy Equipment:	**# of Vehicles**	**Vehicle Cost**	**3**	**5**	**Phase II Period**	**Year 1**	**Year 2**	**Year 3**	**Year 4**	**Year 5**	**Year 6**	**Year 7**	**Year 8**	**Year 9**	**Year 10**	**Year 11**	**Year 12**	**Year 13**	**Year 14**	**Year 15**	**Year 16**	**Year 17**	**Year 18**	**Year 19**	**Year 20**
Vacuum Truck		$																						
1000 hp Switch Locomotive		$																						
D8 Dozer w/coal blade & ripper (new)	1	$																						
D8 Dozer w/coal blade & ripper (used)	1	$																						
580 Backhoe		$																						
Front Loader with Bucket	1	$																						
Large Front Loader with Bucket		$																						
Sheep's Foot Attachment		$																						
Water Truck		$																						
Extendable Boom Crane (20 ton)		$																						
25 Ton Hydraulic A/T Crane		$																						
12 Ton Carry Deck		$																						

Fuel & Lube Oil & Maint		**Fuel Cost:**	$ 3.50																			
Fuel Prices	**# of Vehicles**	**Annual Hours**	**Estimated Cost/hr***	**Annual Cost**	**Phase II Period**	**Year 1**	**Year 2**	**Year 3**	**Year 4**	**Year 5**	**Year 6**	**Year 7**	**Year 8**	**Year 9**	**Year 10**	**Year 11**	**Year 12**	**Year 13**	**Year 14**	**Year 15**	**Year 16**	**Year 17**	**Year 18**	**Year 19**	**Year 20**
Vacuum Truck	0	1500	$																					
1000 hp Switch Locomotive	0	3000	$																					
D8 Dozer w/coal blade & ripper (new)	1	4380	$																					
D8 Dozer w/coal blade & ripper (old)	1	4000	$																					
580 Backhoe	0	1000	$																					
Front Loader with Bucket	1	2000	$																					
Large Front Loader with Bucket	0	2500	$																					
Sheep's Foot Attachment	0	2000	$																					
Water Truck	0	1500	$																					
Extendable Boom Crane (20 ton)	0	1000	$																					
25 Ton Hydraulic A/T Crane	0	1000	$																					
12 Ton Carry Deck	0	1000	$																					

410 – Outside Services

This line item accounts for the cost of employing outside services that are outside the routine capability of the staff, such as the following:

- Predictive maintenance testing and analysis.
- Safety valve setting, calibration, and maintenance.
- Testing and certification of fire protection system(s).
- HVAC maintenance and repair.
- Laboratory services, such as (depending on on-site capability):
  - Fuel testing.
  - Environmental/permit required wastewater testing.
  - Demineralization resin performance testing.
  - Solid waste discharge analysis.
  - Water chemistry testing and analysis.
- Calibration services, such as:
  - Protective relay calibration.
  - Electricity, fuel, and water flow metering calibration.
  - Laboratory analysis equipment calibration.
- Environmental engineering services (e.g., CEMS, CGAs, and RATA testing).
- Consulting engineering services.
- Permit compliance services.
- Maintenance support.
- Machine shop services (beyond the capabilities of the plant).
- Overhead crane testing and certification.
- Non-Boiler scaffold erection.
- High voltage (4160 kV and above) maintenance and repair.

The following exclusions apply to the budget estimate, as submitted:

1. No costs have been included for hazardous waste disposal services or wastewater testing services.
2. Specifically excluded from this line item are services related to inspections and overhauls of the boiler, fuel and ash handling equipment, and steam turbine. These services are accounted for under line item 320 – Plant Spares & Major Maintenance.
3. No allowance for security protection for the plant has been included in the budget. It is assumed the Owner will contract this in accordance with a mutually agreed-upon security plan. It is assumed that a remotely operated gate with a camera system monitored from the control room/administrative offices will be employed.

430 – Equipment Rental

This line item accounts for the cost of renting special tools and equipment that are not normally part of the Facility's permanent equipment inventory. Crane rental costs are also not included to allow for steam turbine generator scheduled maintenance.

It is assumed that no overhead crane above the steam turbine is provided at the Facility.

440 – Buildings & Grounds

This line item accounts for the cost of providing certain plant services that are not normally included in the scope of services provided by the plant staff. These include:

- Janitorial Services
- Garbage/Debris Removal
- Landscaping / Care of Grounds
- Building Maintenance
- Painting and Preservation
- Road Maintenance
- Pest extermination services

450 – Utilities (Communications)

This line item accounts for the cost of providing communications-related services including telephone and internet. Other utilities, including raw water, waste water discharge, and electricity (and associated interconnection fees, if any) have been excluded from the budget pending further discussions with the Owner regarding rates negotiated for the plant and actual plant requirements.

460 – NAES Insurance

An allowance has been included in the budget for NAES's related liability and automobile insurance costs. Employee health and worker's compensation insurances are included in line item **550 – Plant Labor**.

510 – Staffing

This line item accounts for the cost of recruiting and hiring plant personnel (including advertising, interviewing, testing, relocating, and new employee processing) to fill the permanent positions required at the plant.

It is NAES's experience that recruiting and hiring of qualified and capable candidates for the technical management positions typically requires a national search effort. Costs relating to the recruitment and relocation of key plant personnel (Plant Manager, Operations Manager, and Maintenance Manager) have been included in the Mobilization period budget. In addition, costs related to candidate travel for purposes of interviewing with the NAES's management personnel are included.

NAES assumes that most other supervisory positions and all hourly (non-supervisory) plant positions will be filled through local and regional search. NAES will conduct the search and will travel to the plant site to conduct interviews before selecting the most qualified applicants to

make job offers. The Phase II budget includes all estimated costs relating to labor of home office personnel, their travel and living expenses while conducting project-related staffing activities.

An allocation has been included for the periodic replacement of the Plant Manager or other key technical professional during the commercial operations period. An allowance for the cost of replacing the Plant Manager or other plant professional at three-year intervals has been included.

550 – Plant Labor

This line item accounts for the direct cost of wages and benefits for all plant personnel to properly operate and maintain the plant in accordance with this proposal. The plant staffing level assumes that the administrative/accounting/labor relations workload, as well as purchasing and warehousing requirements, are consistent with operations elsewhere. The proposed plant organization is shown in **Figure 2**.

It is the NAES's experience that recruiting and hiring of qualified and capable candidates for the technical management positions typically requires a national search effort. Costs relating to the recruitment and relocation of key plant personnel have been included in the Mobilization period budget. In addition, costs related to candidate travel for purposes of interviewing with the NAES's management personnel are included.

Direct labor costs during the commercial period are calculated on the basis of the wages shown by job category in **Figure 3.** The plant labor cost estimate is based on the following:

1. Wages (as shown in **Figure 3**) and benefits (burden) are estimated.
2. Wage rates are based on the NAES's experience in the region. Burden has been estimated based on estimated labor rates and NAES's employee benefits package. Overtime allowances are included for the non-supervisory personnel. During the Mobilization period overtime allowance for maintenance works and operators is estimated at 15% beginning 3 months prior to commercial operations. During commercial operations, unscheduled overtime allowances vary by job category: 10% for maintenance workers; 10% for operators (in addition to their scheduled shift overtime); and, 5% for administrative workers.
3. The operations personnel are assumed to work 12-hour shifts (on a rotating basis). Maintenance personnel will work a standard eight-hour day, five days per week. As required, they will be on call 24 hours per day in case of emergency. All other personnel are assumed to work a standard workweek.
4. No allowance has been included for pay increases due to promotions, performance, or inflation.
5. A cost reimbursable performance-based incentive bonus has been estimated and is included in this line item.

A small allowance has been included for temporary help that may be hired during the Mobilization period and each commercial year to support initial setup, organization, procurement, and other plant activities.

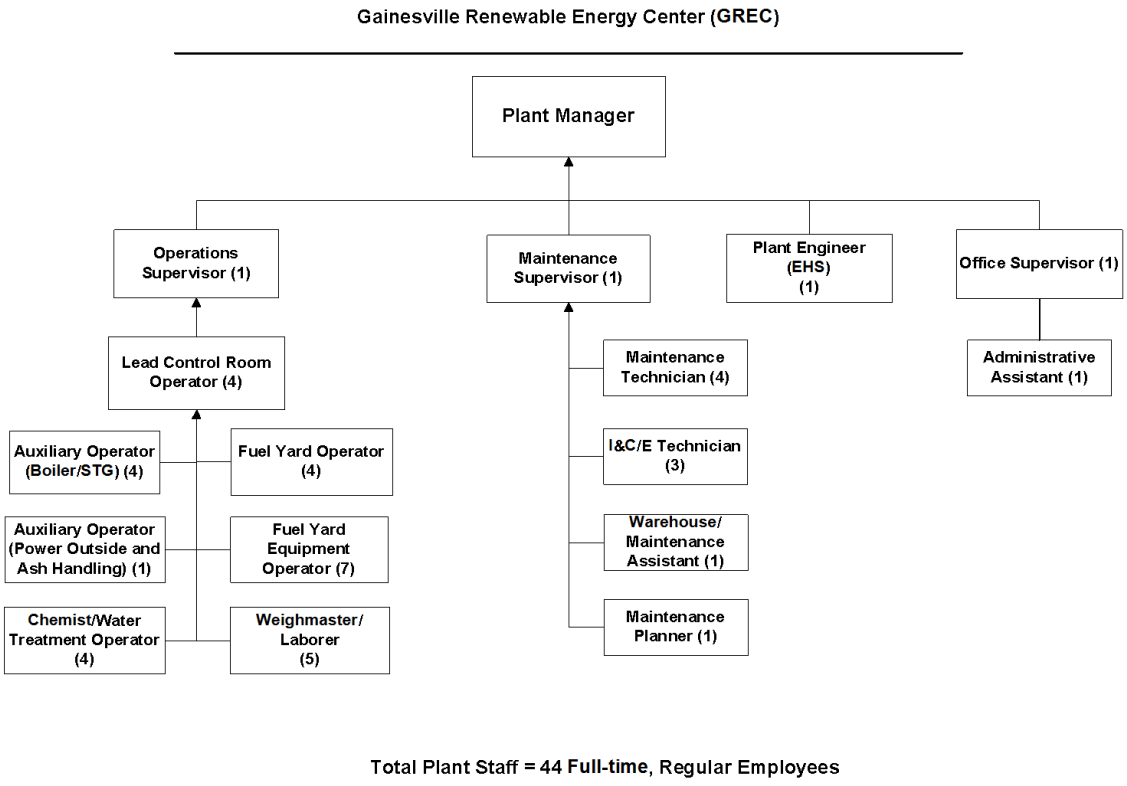
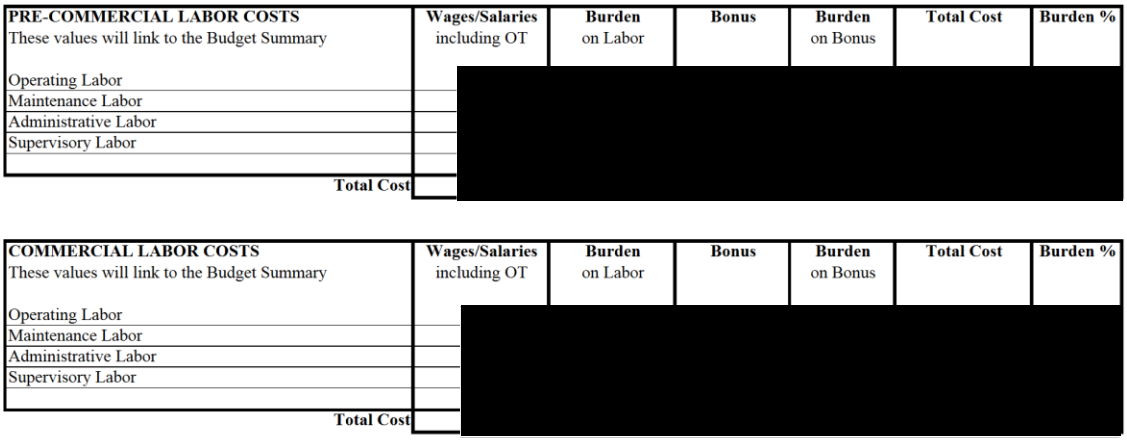


Figure 2. Proposed organization chart for the Gainesville Renewable Energy Center.

NAES Estimated Labor Costs		
Job Title	**Number Positions**	**Base Wages**
Salaried Positions		
Plant Manager	1	[redacted]
Operations Supervisor	1	[redacted]
Maintenance Supervisor	1	[redacted]
Plant Engineer (EHS)	1	[redacted]
Office Supervisor	1	[redacted]
Maintenance Planner	1	[redacted]
Hourly Positions		
Lead Control Room Operator	4	[redacted]
Auxiliary Operator (Boiler/STG)	4	[redacted]
Auxiliary Operator (Power Outside and Ash Handling)	1	[redacted]
Chemist/Water Treatment Operator	4	[redacted]
Fuel Yard Operator	4	[redacted]
Fuel Yard Equipment Operator	7	[redacted]
Weighmaster/Laborer	5	[redacted]
I&C/E Technician	3	[redacted]
Warehouse/Maintenance Assistant	1	[redacted]
Maintenance Technician	4	[redacted]
Administrative Assistant	1	[redacted]
TOTAL COST	**44**	

Figure 3. Estimated labor costs for the Gainesville Renewable Energy Center.



PRE-COMMERCIAL LABOR COSTS These values will link to the Budget Summary	Wages/Salaries including OT	Burden on Labor	Bonus	Burden on Bonus	Total Cost	Burden %
Operating Labor						
Maintenance Labor						
Administrative Labor						
Supervisory Labor						
Total Cost						

COMMERCIAL LABOR COSTS These values will link to the Budget Summary	Wages/Salaries including OT	Burden on Labor	Bonus	Burden on Bonus	Total Cost	Burden %
Operating Labor						
Maintenance Labor						
Administrative Labor						
Supervisory Labor						
Total Cost						

Figure 4. Plant Labor Estimate Workbook Summary

Further description of NAES's employee benefits package:

NAES offers a market-based, competitive wage and benefits package that is both regionally competitive and attractive when compared with other compensation packages in the industry. The goal of this philosophy is to enable NAES to hire and retain qualified and motivated employees.

Employee Labor

- Hours worked (straight time and overtime)
- FlexLeave (vacation and first day of sick time)
- Short-Term Disability/Sick Leave (includes FMLA)
- Holidays
- All other paid time off (e.g., jury/witness duty, military service)

Employee Benefits (Burden)

For the Gainesville Renewable Energy Center, plant employee benefits for the year 2011 consist of the following statutory and non-statutory components:

Statutory

- FICA
- Medicare
- FUI
- SUI
- Worker's Comp (on all earnings)

Non-Statutory

- Retirement and 401(k) Plan (a qualified defined contribution plan), which include:
  - employer matching contribution of 50% of first 6% of employee contributions
  - a 6% fixed employer retirement contribution (after one year of service)
- Medical Insurance
- Dental Insurance
- Vision Insurance
- Long-Term Disability Insurance
- Basic Life Insurance
- Accidental Death & Dismemberment Insurance
- Business Travel AD&D Insurance
- Employee Assistance Plan
- Educational Assistance Program
- Administrative Fees (Retirement and 401K, Tax-Free Benefit Enhancement Plan, and Employee Assistance Program)

The burden rate for the Facility is comprised of the above statutory and non-statutory components and is typically an annual average rate applied to both straight time and overtime wages for all plant employees.

The exact burden rate for the plant will be dependent upon the composition of plant staff, wages and salaries, employees' selection of 401K and healthcare benefits, and whether the employees' selections include family members. Thus, the employees' benefits selection/profile will drive the amount paid by the employer.

The estimated burden rates for plant staff at the Gainesville Renewable Energy Center will be approximately 28.25% and 33.10% (for the Mobilization Period, and Commercial Operations Period and beyond, respectively based on year 2011 data).

Other Employee Benefits Not Included in Plant Labor Burden

- Student Scholarship Program (paid by NAES)
- Supplemental Life Insurance (paid by employee)
- Supplemental AD&D Insurance (paid by employee)

The current NAES plant benefits package is described in detail on the following pages:

2011 BENEFITS SUMMARY

NAES Corporation

BENEFIT	ELIGIBILITY	DESCRIPTION	WHO PAYS
Retirement and 40			
Employee 401K account	First day of the month following date of hire or change to regular status. Vesting - employee is always 100% vested in their own contributions.	Employee may contribute up to 60% of pre-tax earnings up to [redacted] per calendar year (2011). Employees age 50 and older may also make an additional "catch-up" contribution up to [redacted] per calendar year (2011).	Employee
Employer Matching 401K account	First day of the month following date of hire or change to regular status. Vesting 1 yr. of service - 20% 2 yrs. of service - 40% 3 yrs. of service - 60% 4 yrs. of service - 80% 5 yrs. of service -100%	Employer matches 1/2 of first 6% of pre-tax earnings contributed by employee.	Employer
Retirement account	First day of the month following 12 months of service in which 1000 hours have been worked. Vesting After 1 yr. service - 20% After 2 yrs. service - 40% After 3 yrs. service - 60% After 4 yrs. service - 80% After 5 yrs. service - 100%	6% of employee's gross earnings allocated to employee's account.	Employer

BENEFIT	ELIGIBILITY	DESCRIPTION	WHO PAYS
Health Insurance Plans		***Employees may elect full coverage (Medical, Dental & Vision) , Medical & Vision only, or Dental coverage only.***	
Medical Insurance - (PPO) BCBS Network	First day of month following employment for employees working 20 or more hours per week.	A PPO (Provider network) designed health insurance plan. 80% - 90% medical benefit level after deductible for in-network services.	Employer/Employee share the cost of the premium.
		PPO-80 (Provider network) designed health insurance plan. 80% medical benefit level after deductible for in-network services.	Employer/Employee share the cost of the premium.
Prescription Plan	First day of month following employment for employees working 20 or more hours per week.	ClearScript prescription plan program includes retail and mail order. Tiered benefit structure based on Generic, Formulary, and Non-Formulary Drugs.	Cost Sharing included in medical plan.
Dental Insurance – Delta Dental	First day of month following employment for employees working 20 or more hours per week.	Dental plan includes 80% benefit for routine dental services after deductible; exams paid in-full; orthodontia coverage included.	Employer/Employee share the cost of the premium.
Vision Benefit – Vision Service Providers (VSP)	First day of month following employment for employees working 20 or more hours per week.	One eye exam per calendar year covered in full. Lenses or Contact Lenses covered in full every 12 months, frames covered up to [redacted] every 12 months.	Employer/Employee share the cost of the premium.

A Certificate of Creditable Coverage from your current medical insurance carrier will be required to reduce or eliminate the pre-existing condition limitation period for services/benefits that are covered by the NAES plan for any members over the age of 19 years old.

BENEFIT	ELIGIBILITY	DESCRIPTION	WHO PAYS
FlexLeave	All regular employees. Accumulation begins on the first day of employment and may be used as accrued. Part-time employees working a minimum of 20 hours per week on a regular basis qualify for pro-rated FlexLeave pay.	Paid time away from work for vacations, funerals, personal leave, family emergencies and the *first 8 hours of illness or injury*. Length of Service / Hours Accumulated / Max Ac first 5 yrs — 10.67/mo 160 hrs after 5 yrs — 14.00/mo 200 hrs after 15 yrs — 17.34/mo 240 hrs after 20 yrs — 20.67/mo 280 hrs	Employer
Short Term Disability			
Disability Account	All regular employees May use Disability Account accrual as necessary for employee or family illness or injury upon date of hire. Part-time employees working 20+ hours per week earn a pro-rated amount of Disability Account hours.	12.50 hours accrued per month up to 1040 hours. Disability Account hours may be used after the first 8 hours of absence per occurrence for work and non-work related employee illness, family (dependent child, spouse or parent) illness, injury, disability, or hospitalization.	Employer
Basic Benefit	All regular employees Basic benefit applies when all accrued Disability Account hours are used.	Benefit of 60% of base pay to maximum of [redacted] per week for up to 26 weeks. 10 day wait period.	Employer

BENEFIT	ELIGIBILITY	DESCRIPTION	WHO PAYS
Long-Term Disability	Upon hire for employees working 20 or more hours per week.	Benefit begins after 6 months of total disability. Benefit pays 60% of basic monthly earnings not to exceed [redacted] Minimum benefit of [redacted] month.	Employer
Life Insurance	Upon hire for employees working 20 or more hours per week.	1½ times annual base salary rounded to next higher [redacted] to a maximum of [redacted].	Employer
Optional Term Life Employee/Spouse/ Child	Upon approval of insurance company (except at time of hire). Election of Optional Life is required for the election of Spouse Life or Dependent Life.	Employee may elect 1, 2, 3 or 4 times annual base salary. Spouse coverage in multiples of [redacted] up to [redacted] not to exceed 100% of the employee's combined coverage. Child may be covered for [redacted] per child.	Employee
Accidental Death & Dismemberment	Upon hire for employees working 20 or more hours per week.	2½ times annual base salary rounded to next higher [redacted] to a maximum of [redacted].	Employer
Business Travel Accidental Death & Dismemberment	Same as above	Additional 5 times annual base salary rounded to next higher [redacted] to a maximum of [redacted]	Employer
Supplemental AD&D for Employee	Insurance effective upon completion of application.	Additional 2½ times annual base salary rounded to next higher [redacted] o a maximum of [redacted]	Employee
Supplemental AD&D for Employee and Family	Insurance effective upon completion of application.	Employee - Additional 2½ times annual base salary rounded to next higher [redacted] to a maximum of [redacted] Family - Benefits payable as per Sun Life benefit schedule.	Employee

BENEFIT	ELIGIBILITY	DESCRIPTION	WHO PAYS
Tax-Free Benefit Enhancement Plan **(Flexible Spending Accounts)**	All regular employees working 20 or more hours per week are eligible upon date of hire.	Tax-Free Insurance Premium Deduction Health Care Flexible Spending Account and/or Day Care Flexible Spending Account	Automatic Employee
Holidays	All full-time regular employees Part-time employees working a minimum of 20 hours per week on a regular basis qualify for pro-rated holiday pay.	New Year's Day Presidents' Day Memorial Day Independence Day Labor Day Thanksgiving Day after Thanksgiving Christmas Day Company Designated Holiday	Employer
Jury/Witness Duty	All regular employees Part-time employees working a minimum of 20 hours on a regular basis qualify for pro-rated jury/witness duty.	For qualified duty, regular base wage/salary will be continued as long as duty pay is assigned to the company.	Employer
Armed Forces Reserve Leave	All regular employees employed for more than 1 year. All regular employees employed for less than 1 year. Part-time employees working a minimum of 20 hours on a regular basis qualify for pro-rated armed forces reserve leave.	Difference between military pay and regular salary for 2 weeks. Difference between military pay and regular salary for 1 week.	Employer
Employee Assistance Program	First day of the month following employment for regular employees and part-time employees working 20 or more hours per week.	Confidential counseling assessment to identify problems and resources available for help.	Employer

BENEFIT	ELIGIBILITY	DESCRIPTION	WHO PAYS
Student Scholarship Program	All regular status employees	The company provides academic scholarship awards to selected dependent children of employees to assist with the advancement of their education. The program awards scholarships annually, with scholarship amounts up to two thousand US dollars per student per year.	Employer
Educational Assistance Program	First day of employment.	Tuition reimbursement for pre-approved courses that relate to employees current or projected position.	Employer - providing a grade C or better is achieved. Max: [redacted] yr.

Note: *This summary provides an overview of NAES employee benefits and is not meant to interpret, extend or change the benefit plan documents or policies that apply to these benefits in any way. The Plan documents and/or policies govern in the event of any discrepancy between this summary and the actual provisions of the Plan documents or policies.*

NAES CORPORATION

2011 Monthly Health Insurance Rates

NAES Standard

Plan	Coverage	Total Premium	Premium Split	
			NAES Pays	Employee Pays
NAES Medical, Delta Dental, and NAES VSP Vision Coverage				
PPO Plan				
	Employee Only	[redacted]		
	Employee & Spouse			
	Employee & Children			
	Employee & Family			
NAES Medical, Delta Dental, and NAES VSP Vision Coverage				
PPO-80 Plan				
	Employee Only	[redacted]		
	Employee & Spouse			
	Employee & Children			
	Employee & Family			
NAES Medical and NAES VSP Vision Coverage				
PPO Plan				
	Employee Only	[redacted]		
	Employee & Spouse			
	Employee & Children			
	Employee & Family			
NAES Medical and NAES VSP Vision Coverage				
PPO-80 Plan				
	Employee Only	[redacted]		
	Employee & Spouse			
	Employee & Children			
	Employee & Family			
Dental Coverage Only				
Delta Dental				
	Employee Only	[redacted]		
	Employee & Spouse			
	Employee & Children			
	Employee & Family			

610 – Project Management

This line item accounts for the following:

- The labor and expenses of an experienced NAES's Division Director and Project Manager to oversee and manage the Mobilization services.
- The labor and expenses of an experienced Home office support infrastructure that includes Safety, Technical Services, Accounting, Human Resources, and IS to conduct Mobilization activities in support of the commercial operations of Gainesville Renewable Energy Center.
- The labor and expenses for the NAES's ESS personnel to perform:
  - Environmental evaluation and the development of an environmental binder that includes "standard" NAES's environmental tools and templates (to be tailored by applicable project/site personnel) for identifying and documenting routine requirements (i.e., reporting, monitoring, testing, training and inspections).
  - General guidance on environmental compliance matters and facilitates sharing of environmental lessons learned across NAES's facilities.
  - Reference source for plant and project management in response to specific requests.
  - Support routine internal assessment programs, as requested
  - Conducts environmental conference
  - Note: ESS scope will depend upon specific requirements for GREC and the level of service the plant would require.

710 – Plant Program Development

This line item accounts for NAES implementation of a comprehensive set of Operational Programs that include:

- Operations – Includes system descriptions and operations procedures for integrated operation of all plant equipment and systems.

- Maintenance – Includes downloading to the plant's CMMS a comprehensive preventive maintenance program, developing a Maintenance Policy Manual, and training of designated plant personnel.

- Training and Qualification – Includes pre-operational training on the organization and application of system descriptions and operations procedures and on integrated plant operations. A formal qualification program will ensure plant operators are fully prepared to support startup and commercial operations of the plant.

- Human Resources – Documents compensation, benefits, work rules, and performance reports.

- Safety and Health – Includes those procedures and processes necessary to establish a safe work environment.

- Environmental Compliance – Environmental services will be performed under **Line Item 610**.

- Water Chemistry – Documents water chemistry processes to ensure proper operation with respect to chemistry control which enhances equipment performance and life.

- Administration – Documents all the administrative activities to be employed at the Facility.

- NERC Compliance – Includes of cost of developing NERC Compliance Manual.

The cost of developing these critical manuals is based on NAES's experience. The estimate includes the costs to develop, write, and publish the manuals including labor and travel costs, word processing, materials, and reproduction costs.

Notes:

1. The EPC contractor will provide adequate plant design data including P&IDs, vendor equipment manuals, facility drawings, and interface requirements for all affected plant systems and equipment. This information will be in conformance with industry standards with respect to level of detail.
2. The above information will be made available for use by Opreator at the corporate offices in Issaquah, Washington, with sufficient lead-time (i.e., immediately after Notice-to-Proceed) to allow an adequate review process to support the development of all required procedures and system descriptions. All required information will be provided in English.
3. The plant staff will verify the system descriptions and operations procedures.
4. The estimate is based on the assumption that INFOR's MP2 CMMS software and supporting hardware is purchased for the Facility by Owner and is included in this budget estimate. The allocation includes the CMMS software system, and adequate licenses for simultaneous users, and an annual service contract. [A bar-coding solution is available for an additional charge.] All of the equipment, inventory, vendor, labor and other data will be made available to NAES in Microsoft Excel format on NAES provided data collection spreadsheets. Data provided to NAES on paper, scanned documents, or any format such as PDF from which the data cannot be copied and pasted into MS Excel directly will require manual data input. The time and material cost of this manual data input into the CMMS database in not included.
5. NAES has assumed that major equipment vendor-supplied training (by Owner and/or the EPC contractor) will be provided and utilized in as much detail as possible.
6. During the commercial period, environmental support that may be required beyond that which the Facility Work Force normally provides and which is typically not bid out, NAES Environmental Support Services group is a candidate for such services.

810 – Management Fees

This line item accounts for NAES management fees for providing operations and maintenance services for the Facility. The fees are included in the budget as earned at 100% of potential.

Line Item Breakdown	Gainesville Renewable Energy Center	Budget 05311

Line Item 110 - Training, Travel and General Expenses (2011 U.S. Constant Dollars in Thousands)

Item(s)	Pre - Mob Phase I	Mobilization Phase II	Year of Commercial Operations					
			Year 1	Year 2	Year 3	Year 4	Year 5	Year 6
Plant Manager HQ Training			[redacted]					
Plant Administrator HQ Training								
Specialty Training, Conf.								
Fundemental Training Course								
Travel, Meals, Entertainment								
Community Relations								
Uniforms								
Employee Relations								
Other General Expenses								
Totals:	0							

Line Item 210 - Office Equipment & Furnishings

Item(s)	Pre - Mob Phase I	Pre-Com Period	Year of Commercial Operations					
			Year 1	Year 2	Year 3	Year 4	Year 5	Year 6
Office Equipment			[redacted]					
Office Furnishings								
Computer Hardware								
MAS90/200								
MP2								
Computer Software								
Totals:	0							

Line Item 220 - Office Supplies & Expenses

Item(s)	Pre - Mob Phase I	Pre-Com Period	Year of Commercial Operations					
			Year 1	Year 2	Year 3	Year 4	Year 5	Year 6
Office Supplies			[redacted]					
Office Eqmt. Service Contracts								
Postage								
Totals:								

Line Item 230 - Small Tools (Included in Account 310)

Item(s)	Pre - Mob Phase I	Pre-Com Period	Year of Commercial Operations					
			Year 1	Year 2	Year 3	Year 4	Year 5	Year 6
Mechanical			[redacted]					
Electrical/I&C								
Operations								
Laboratory								
Safety Items								
Totals:	0							

Line Item 310 - Maintenance Equipment & Tools

Item(s)	Pre - Mob Phase I	Pre-Com Period	Year of Commercial Operations					
			Year 1	Year 2	Year 3	Year 4	Year 5	Year 6
Machine Shop			[redacted]					
Electrical /I&C Shop								
Warehouse/Storage								
Radios								
Laboratory Equipment								
Totals:	0							

Line Item Breakdown	Gainesville Renewable Energy Center	Budget 05311

Line Item 320 - Plant Spares & Major Maintenance

Item(s)	Pre - Mob Phase I	Pre-Com Period	Year of Commercial Operations					
			Year 1	Year 2	Year 3	Year 4	Year 5	Year 6
NAES Spares			[redacted]					
NAES Major Maintenance								
Totals:	0							

Line Item 330 - Consumables

Item	Pre - Mob Phase I	Pre-Com Period	Year of Commercial Operations					
			Year 1	Year 2	Year 3	Year 4	Year 5	Year 6
Mechanical			[redacted]					
Electrical/I&C								
Lubricants								
Gasses (incl. H2)								
CEMS Gasses								
Other Consumables								
Laboratory Supplies								
Safety Supplies								
Housekeeping Supplies								
Totals:	0							

Line Item 335 - Chemicals

Item(s)	Pre - Mob Phase I	Pre-Com Period	Year of Commercial Operations					
			Year 1	Year 2	Year 3	Year 4	Year 5	Year 6
Wtr Trtmt Chem - Cooling Tower			[redacted]					
Wtr Trtmt Chem - Boiler								
Wtr Trtmt Chem - Waste Water								
RO Chem								
BFB Sand								
Ammonia								
ZLD								
Totals:	0							

Line Item 340 - Plant Vehicles & Heavy Mobile Equipment

Item(s)	Pre - Mob Phase I	Pre-Com Period	Year of Commercial Operations					
			Year 1	Year 2	Year 3	Year 4	Year 5	Year 6
Plant Vehicles & Replacement (Light)			[redacted]					
Plant Vehicles & Overhaul (Heavy)								
Fuel & Lube Oil & Maint								
Totals:	0							

Line Item Breakdown	Gainesville Renewable Energy Center	Budget 05311

Line Item 410 - Outside Services

Item(s)	Pre - Mob Phase I	Pre-Com Period	Year of Commercial Operations Year 1	Year 2	Year 3	Year 4	Year 5	Year 6
Predictive Maintenance			[redacted]					
Calibration (CEMS, HV, lab eqmt)								
Water Sampling/Analysis								
Bottom, Fly & FGDS Ash Disposal								
Security Services								
Crane Testing								
Fuel Sampling and Testing								
Safety Valve Repair/Cert.								
Consulting								
Scaffolding (non-boiler)								
Other								
Totals:	0							

Line Item 420 - Major Maintenance (Included under Line Item 320)

Item(s)	Pre - Mob Phase I	Pre-Com Period	Year of Commercial Operations Year 1	Year 2	Year 3	Year 4	Year 5	Year 6
Totals:								

Line Item 430 - Equipment Rental

Item(s)	Pre - Mob Phase I	Pre-Com Period	Year of Commercial Operations Year 1	Year 2	Year 3	Year 4	Year 5	Year 6
Mobile Crane			[redacted]					
Temporary Trailers								
Special Tools/Equipment								
Other								
Totals:	0							

Line Item 440 - Buildings & Grounds

Item(s)	Pre - Mob Phase I	Pre-Com Period	Year of Commercial Operations Year 1	Year 2	Year 3	Year 4	Year 5	Year 6
Janitorial Services			[redacted]					
Garbage/Debris Removal								
Landscaping								
Building Maintenance								
Painting & Preservation								
Road Cleaning and Maintenance								
Road Maintenance								
Totals:	0							

Line Item Breakdown	Gainesville Renewable Energy Center	Budget 05311

Line Item 450 - Utilities (Communications)

Item(s)	Pre - Mob Phase I	Pre-Com Period	Year of Commercial Operations Year 1	Year 2	Year 3	Year 4	Year 5	Year 6
Telephone								
Internet								
Electricity								
Water								
Sewer								
Heating								
Totals:								

Line Item 460 - Insurance

Item(s)	Pre - Mob Phase I	Pre-Com Period	Year of Commercial Operations Year 1	Year 2	Year 3	Year 4	Year 5	Year 6
General Liability								
Other								
Totals:								

Line Item 510 - Staffing

Item(s)	Pre - Mob Phase I	Pre-Com Period	Year of Commercial Operations Year 1	Year 2	Year 3	Year 4	Year 5	Year 6
Recruiting								
Relocation								
In-Processing								
Totals:	0							

Line Item 550 - Plant Labor **Mjr**

Item(s)	Pre - Mob Phase I	Pre-Com Period	Year of Commercial Operations Year 1	Year 2	Year 3	Year 4	Year 5	Year 6
Wages								
Burden								
Bonus with Burden								
Temporary Help								
Totals:	0							

Line Item 610 - Support Services

Item(s)	Pre - Mob Phase I	Pre-Com Period	Year of Commercial Operations Year 1	Year 2	Year 3	Year 4	Year 5	Year 6
Project Management								
HR Support								
Environmental Services								
Accounting Services								
IS Services								
Totals:	T&M							

Line Item 710 - Plant Program Development

Item(s)	Pre - Mob Phase I	Pre-Com Period	Year of Commercial Operations Year 1	Year 2	Year 3	Year 4	Year 5	Year 6
Develop Maint. Policy Manual								
Perform Site Safety Assess & Report								
Develop Safety Manual								
Perform Safety Orientation Training								
Develop Operations - SD's								
Develop Operations - OP's & EOP's								
Develop Operations - Simplified Dwgs								
Develop Chemistry Manual								
Develop Training Manual								
TSS Operations Orientation Training								
not used								
Develop CMMS								
Develop Maintenance Instructions								
Assemble Manuals & Misc.								
NERC Compliance and Validation								
Totals:	0							

Line Item Breakdown	Gainesville Renewable Energy Center	Budget 05311

Line Item 810 - Project Management & Management Fees

Item(s)	Pre - Mob Phase I	Pre-Com Period	Year of Commercial Operations Year 1	Year 2	Year 3	Year 4	Year 5	Year 6
Management Fee			[redacted]					
Project Success								
Incentive Fee								
Totals:	0							

Line Item 900- Capital Projects Excluded

Item(s)	Pre - Mob Phase I	Pre-Com Period	Year of Commercial Operations Year 1	Year 2	Year 3	Year 4	Year 5	Year 6
Totals:	excl.	excl.	excl.	excl.	excl.	excl.	excl.	excl.

Line Item 999 - Contingency Excluded

Item(s)	Pre - Mob Phase I	Pre-Com Period	Year of Commercial Operations Year 1	Year 2	Year 3	Year 4	Year 5	Year 6
Pre-Commercial								
Commercial								
Totals:	excl.	excl.	excl.	excl.	excl.	excl.	excl.	excl.

Appendix VIII

EPC Contract

(BY OWNER)

Appendix IX

Interconnection Agreement

(BY OWNER)

Appendix X

Power Purchase Agreement

(BY OWNER)

Appendix XI

Project Construction Schedule Summary

Item	Duration (Calendar Days)	Start Date	End Date
Fagen/Metso LNTPs			3/16/2011
Fagen Moblization			3/16/2011
Metso Moblization			2/11/2012
Boiler Hydro Test	6	2/26/2013	3/4/2013
Guaranteed Boiler Hydro Test Complete Date (Boiler Contract)			3/4/2013
Boiler Ready for Refractory and Checks	58	3/4/2013	5/1/2013
Chemical Clean	8	5/1/2013	5/9/2013
CEMS Calibration	7	5/1/2013	5/8/2013
CEMS Calibrated and In Service			5/8/2013
STG on Turning Gear	5	5/8/2013	5/13/2013
First Fire Natural Gas	6	5/9/2013	5/15/2013
First Fill Fuel Feed System	1	5/30/2013	5/31/2013
Solid Fuel Available	0	5/31/2013	5/31/2013
First Fire Solid Fuel	2	5/31/2013	6/2/2013
STG First Roll	1	6/24/2013	6/25/2013
STG Trip Checks	2	6/25/2013	6/27/2013
Initial STG Sync	1	6/25/2013	6/26/2013
Mechanical Completion Date (Section 13.1)			6/26/2013
Commissioning and Testing Period (Boiler Contract)	155	6/26/2013	11/28/2013
STG Tuned to Base Load	10	6/27/2013	7/7/2013
Metso 700 hour operation requirement (Section 13.2.2)	42	7/7/2013	8/18/2013
CEMS Drift Test	10	7/7/2013	7/17/2013
Notice of Substantial Completion Performance Tests (Section 13.2.3)			8/18/2013
Wait to perform Substantial Completion Performance Tests (Section 13.2.4)	5	8/18/2013	8/23/2013
Substantial Completion Performance Tests (Section 13.2)	2	8/23/2013	8/25/2013
Independent Engineer Issues Final Completion Certificate (Section 13.3.7)	5	8/25/2013	8/30/2013
Substantial Completion Date / Placed in Service Date (Section 13.3.8)			**8/30/2013**
STG Outage - Remove Fine Screens	8	8/30/2013	9/7/2013
Boiler and System Tuning	39	9/7/2013	10/16/2013
Notice of Final Completion Performance Tests (Section 13.4.2)			10/16/2013
Wait to Perform Final Completion Performance Tests (Section 13.4.3)	5	10/16/2013	10/21/2013
Final Completion Performance Tests (Section 13.4)	8	10/21/2013	10/29/2013
CEMS Rata Tests	2	10/29/2013	10/31/2013
CEMS Stack Tests	3	10/31/2013	11/3/2013
Dioxin/Furan Test Results Processed	30	10/29/2013	11/28/2013
Guaranteed Final Completion (Section 13.7.8)			**11/28/2013**
Independent Engineer issues Final Completion Certificate (Section 13.7.7)	10	11/28/2013	12/8/2013
Complete Final Punch List items	180	12/8/2013	6/6/2014
Punch List Completion Date (Section 13.8.6)			**6/6/2014**
Duration from LNTPs to Substantial Completion Date / Placed in Service Date	**898**	**3/16/2011**	**8/30/2013**
Duration from LNTPs to Guaranteed Final Completion	**988**	**3/16/2011**	**11/28/2013**

Appendix XII

Task Authorization Form

Scope of Authorization:

To prepare and provide ….

1. Service

Tasks/Deliverables:

1)

2)

Time Frame:

2. _____

1)

2)

Time frame:

Billing/Compensation:

Beginning date:

End date:

Gainsville Renewable Energy Center, LLC	NAES CORPORATION
By: _____	By:_____
Name:_____	Name:_____
Title:_____	Title:_____
Date:_____	Date:_____

Appendix XIII

Phase I NAES Home Office Personnel Rates

The following hourly billing rates apply to Home Office Personnel time. These rates are valid through December 31, 2011. Rates for subsequent Years will be disclosed to Owner prior to becoming effective.

OPERATIONS	
Vice President	[redacted]
Division Director	$ [redacted]
Director, Safety	$ [redacted]
Senior Proj. Mgr.	$ [redacted]
Project Mgr. II	$ [redacted]
Project Mgr. - Safety	$ [redacted]
Project Mgr. I	$ [redacted]
Project Engr.	$ [redacted]
TECHNICAL SERVICES	
Director, Envir. Support Svcs	$ [redacted]
Sr. Environmental Mgr.	$ [redacted]
Sr. Environmental Specialist	$ [redacted]
Environmental Specialist II	$ [redacted]
Environmental Specialist I	$ [redacted]
Director, Engineering	$ [redacted]
Senior Engineer	$ [redacted]
Engineer	$ [redacted]
Sr. Operations Analyst	$ [redacted]
Operations Analyst II	$ [redacted]
Operations Analyst I	$ [redacted]
ACCOUNTING	
Mgr., Corp. Acctng	$ [redacted]
Director, Corporate Planning	$ [redacted]
Mgr. Int'l Subsidiary Admin.	$ [redacted]
Sr. Accountant	$ [redacted]
Staff Accountant	$ [redacted]
Accounting Specialist	$ [redacted]
HUMAN RESOURCES	
VP, HR & Admin	$ [redacted]
HR Employee Relations Mgr.	$ [redacted]
HR Mgr.	$ [redacted]
HR Specialist	$ [redacted]
HR Administrator	$ [redacted]
MISC. SUPPORT	
Business Development Mgr.	$ [redacted]

Marketing/Proposal Manager	$ [redacted]
Sr. Marketing Engr.	$ [redacted]
IS Mgr. /Business Application Mgr.	$ [redacted]
IS Support II	$ [redacted]
IS Support I	$ [redacted]
Mktg Engr./Support Specialist	$ [redacted]
Tech. Support Spec. II (Translator)	$ [redacted]
Tech. Support Spec. I	$ [redacted]
Administrative Asst.	$ [redacted]

The following hourly billing rates apply to Home Office Personnel time applied to the Phase II Scope of Work. These rates are valid through December 31, 2011. Rates for subsequent Years will be disclosed to Owner prior to becoming effective.

OPERATIONS	
Vice President	$ [redacted]
Division Director	$ [redacted]
Director, Safety	$ [redacted]
Senior Proj. Mgr.	$ [redacted]
Project Mgr. II	$ [redacted]
Project Mgr. - Safety	$ [redacted]
Project Mgr. I	$ [redacted]
Project Engr.	$ [redacted]
TECHNICAL SERVICES	
Director, Envir. Support Svcs	$ [redacted]
Sr. Environmental Mgr.	$ [redacted]
Sr. Environmental Specialist	$ [redacted]
Environmental Specialist II	$ [redacted]
Environmental Specialist I	$ [redacted]
Director, Engineering	$ [redacted]
Senior Engineer	$ [redacted]
Engineer	$ [redacted]
Sr. Operations Analyst	$ [redacted]
Operations Analyst II	$ [redacted]
Operations Analyst I	$ [redacted]
ACCOUNTING	
Mgr., Corp. Acctng	$ [redacted]
Mgr. Financial Planning	$ [redacted]
Mgr. Int'l Subsidiary Admin.	$ [redacted]
Sr. Accountant	$ [redacted]
Staff Accountant	$ [redacted]
Accounting Specialist	$ [redacted]
HUMAN RESOURCES	
VP, HR & Admin	$ [redacted]
HR Employee Relations Mgr.	$ [redacted]

HR Mgr.	$ [redacted]
HR Specialist	$ [redacted]
HR Administrator	$ [redacted]
MISC. SUPPORT	
Business Development Mgr.	$ [redacted]
Marketing/Proposal Manager	$ [redacted]
Sr. Marketing Engr.	$ [redacted]
IS Mgr. /Business Application Mgr.	$ [redacted]
IS Support II	$ [redacted]
IS Support I	$ [redacted]
Mktg Engr./Support Specialist	$ [redacted]
Tech. Support Spec. II (Translator)	$ [redacted]
Tech. Support Spec. I	$ [redacted]
Administrative Asst.	$ [redacted]