

BUSINESS FOCUS – CHP OPERATIONS

- Our licensed CHP technology allows for concurrent CHP credit generation for the period of time that the co-gen plant is generating electricity.
- Initial concentration is on municipal utility authorities (MUAs). MUAs generally have investment grade credit. Further, a CHP project built for a MUA with a long term PPA qualifies for long term (length of PPA) low cost (3-4% interest rate) Tax Exempt Municipal Bond Financing.
- 66MW of Pipeline – all MUAs and Government credits.
- 22MW (5 projects) ready to commence construction.
- Each project has a 20 year PPA and a viable, qualifying use for the therms generated by its operation (distilled water).
- BFHJ Clean Energy's project management resources will oversee the design/build process for the CHP sites and asset manage the completed projects.
- We have assembled a world class development team, led by Energy Concepts, designed-builder of the most (85) CHP systems in the US.
- In addition to MUAs, we are looking to expand our CHP business:
 - We are developing a CHP solution to take advantage of low cost natural gas at the well head in the Marcellus Shale natural gas region.
 - We have a pipeline of 120 healthcare facilities that will be evaluated for CHP applications.