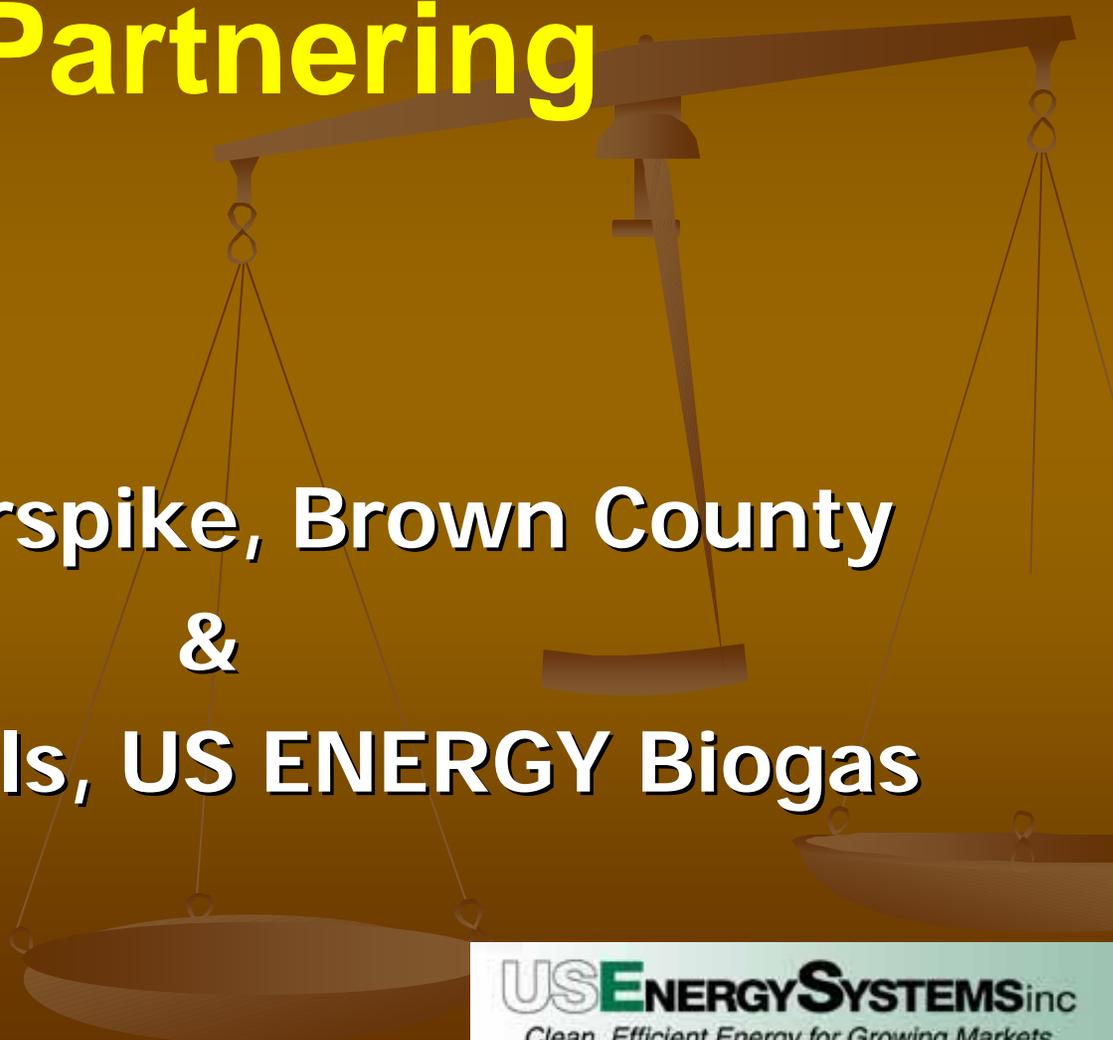


How To Make A Project Happen LFG Partnering



Chad Doverspike, Brown County

&

Mike Michels, US ENERGY Biogas

The Opportunity

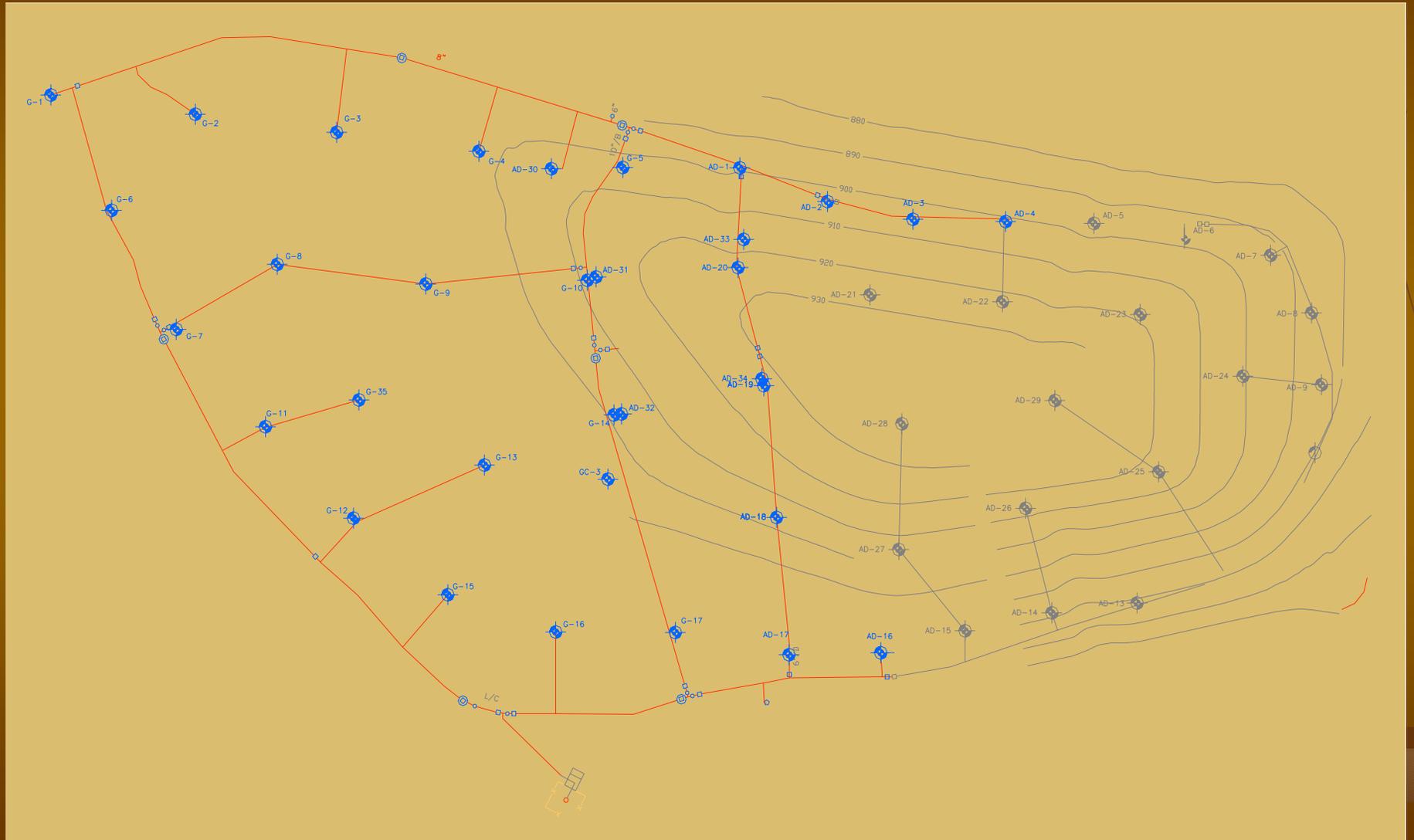
■ East Landfill

- Existing LFG Collection System
- Tax Credit Qualified
- Flowing approx 900 scfm
- Active Waste Disposal
- Wellfield Expansion Planned

■ Collection System Stats

- 30 existing wells
- 20 future wells to be added
- Looped Header System
- Final Closure in 2003

East LFG System

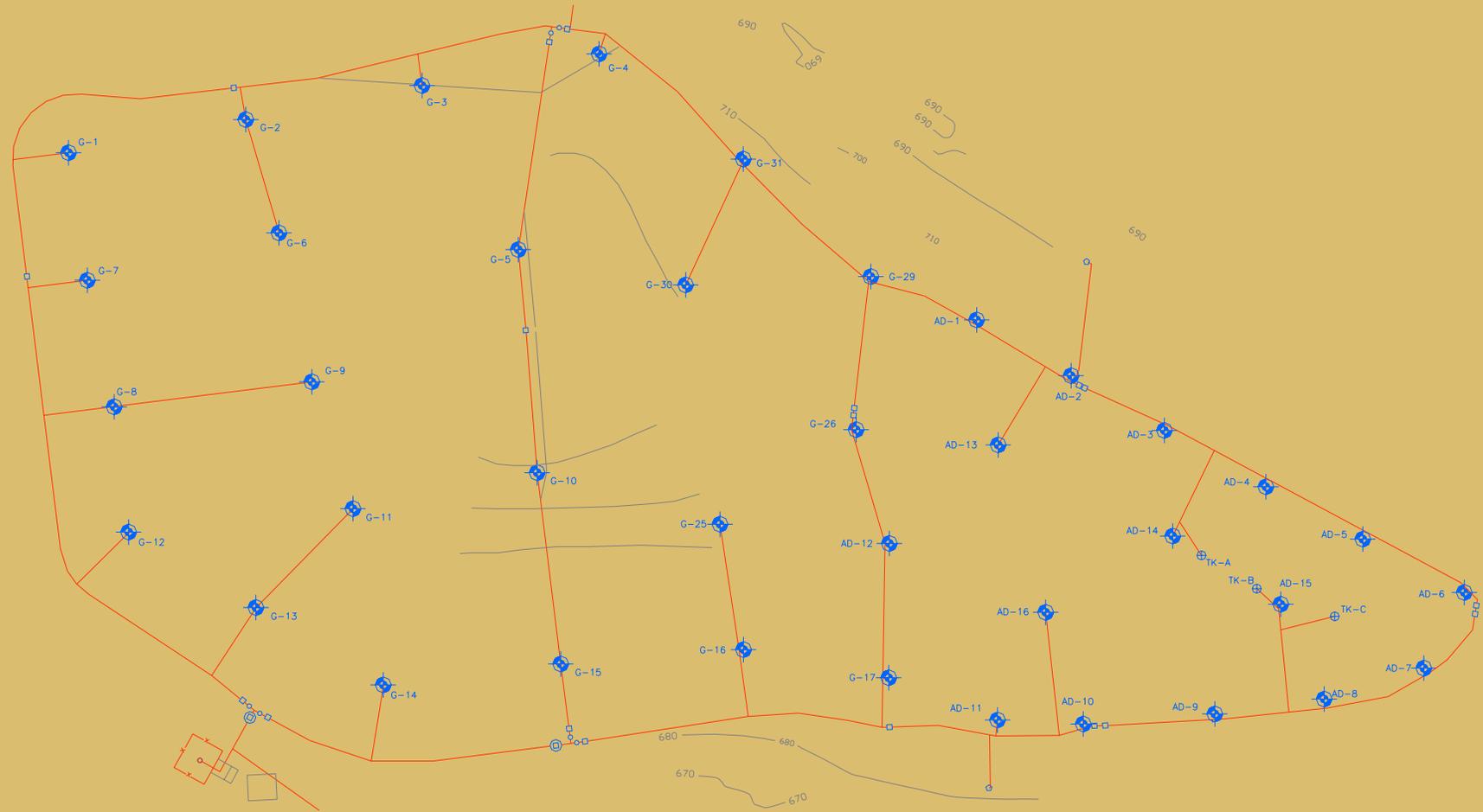


The Opportunity

- **West Landfill**
 - Existing LFG Collection System
 - Tax Credit Qualified
 - Flowing approx. 1200 scfm
 - Closed and Capped

- **Collection System Stats**
 - 38 existing wells
 - Dual LFG and Leachate Extraction
 - Looped Header System
 - Declining LFG Generation

West LFG System



Partners In Development

Brown County Role

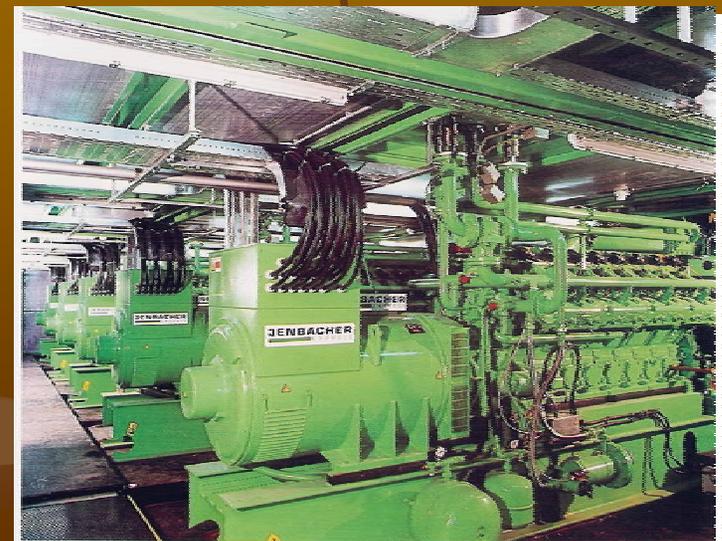
- Operate / Maintain the Landfill and Disposal Operations
- Operate and Maintain the LFG Collection System



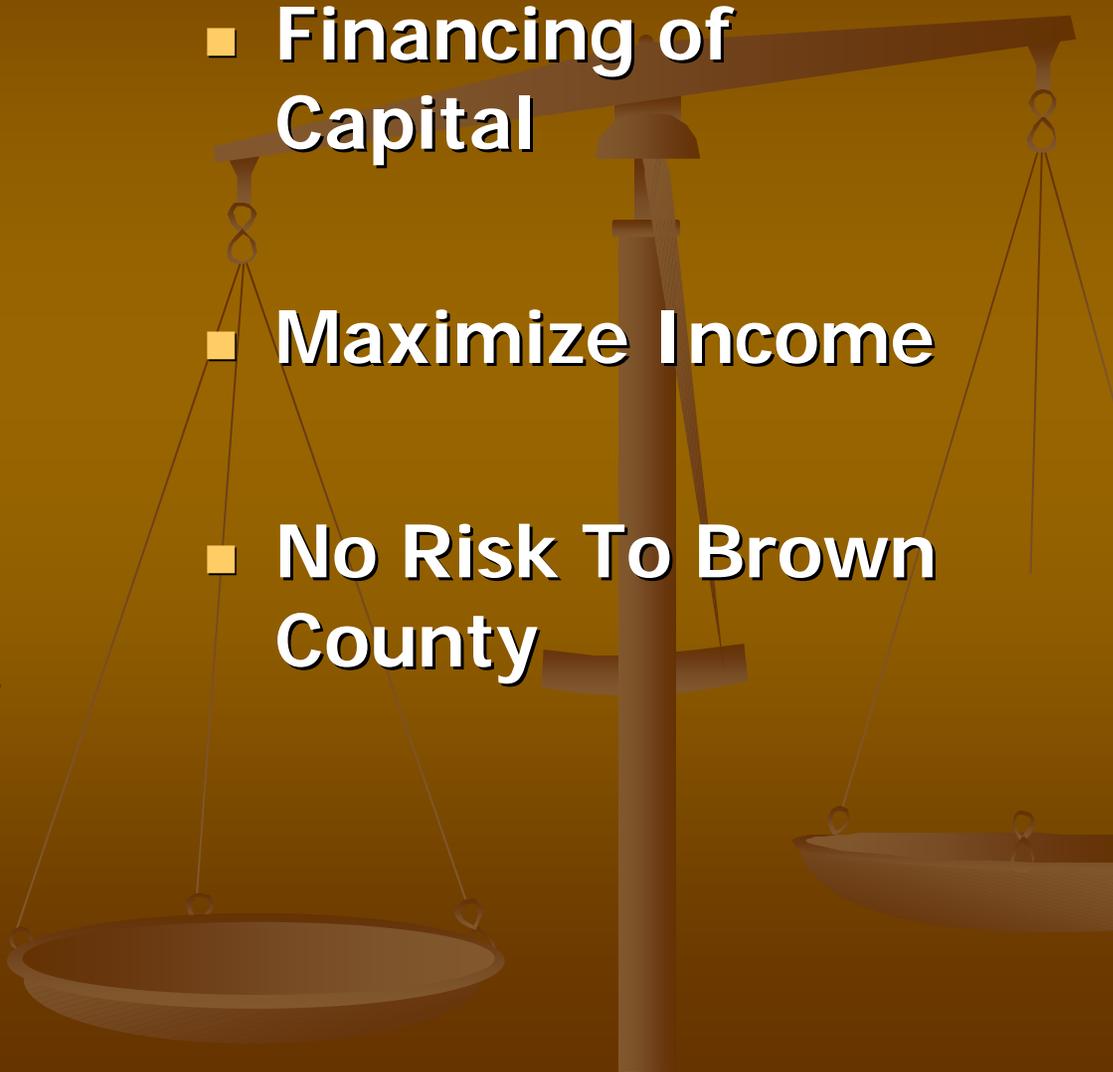
Partners In Development

US ENERGY Role

- Own LFG Collection System
- Negotiate PPA with WPSC
- Design, Build, Finance, & Operate Two 3 Megawatt Power Plants



Keys too Success

- Cooperation
 - Patience
 - Tax Credits
 - Power Purchase Agreement
 - Financing of Capital
 - Maximize Income
 - No Risk To Brown County
- 

Project Status

- Gas Sales Agreement Signed on May 8, 2000
- PPA Signing is Eminent
- Rezoning Is Underway
- Wellfields Are Being Operated and Flaring LFG
- Power Plants Are Under Design
- Startup Of Power Production Anticipated for September 2002

Revenue Opportunities

- Brown County receives wellfield operations payment of \$1,250 per month, per landfill.
- Brown County receives payment for LFG collection system of \$2,100 per month, per landfill.
- Brown County receives \$100 per year, per landfill for lease of land that the USEY power plant resides.
- USEY gets income from electric sales to WPSC and section 29 tax credits.
- Revenue sharing for the amount greater than 4.5 cents per kWh.

Brown Co. & USEY Conclusions

- If at first you don't succeed, "try try again". Brown Co. 3rd RFP.
- Cooperation and Patience is Key.
- PPA and Tax Credits Make This Project Work.
- Brown County Maintains Control of Wellfield While Maximizing Revenue for the Team.

Special Thanks Go To

- Joe Carolan – US ENERGY Biogas
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- Steve Greiner – Robert E. Lee & Associates
- Town of Hobart
- Town of Ledgeview
- Wisconsin Public Service Corporation