

RTR Investments, LLC
RTR Project
Financial Analysis

Project Assumptions:	
Gross Unit Capacity (kw):	10,250
Net Unit Capacity (kw):	9,020
Gross Annual Production (kwh):	89,790,000
% Parasitic Load:	12%
Net Annual Production (kwh):	79,015,200
Heat Recovery Installed Equip Cost /(/kw):	\$2,250
Installed Cost of Project:	\$23,062,500
Equipment Life (yrs):	20
Contract Life (yrs):	20
Renewable Energy Credits	0%
Net Installed Cost of Project:	\$23,062,500

Finance Assumptions	
Bond Amount	100% \$30,000,000
Net Proceeds	90% 27,000,000
Revenue/kwh:	0.11200
Cash reserve	(\$3,937,500)
Term of Debt (yrs):	20
Interest Rate:	7.00%
Site Utility Power Cost (kwh)	\$0.120
Fees/Expenses	
Technology License Fee %	8%
Heat source royalties:	12%

Maintenance Assumptions	
O&M per kwh:	\$0.0120
Ongoing Site Expenses:	2.0%
Financial Administration:	2.0%
Warranty:	2.0%
Cost of Living Adjustment (COLA)	3.0%
Annual up-time percentage:	90.0%

	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	Total	
Profit Analysis																						
Base Revenue @ Fixed Rate	\$1,991,183	\$5,973,549	\$6,969,141	\$7,964,732	\$8,203,674	\$8,449,784	\$8,703,278	\$8,964,376	\$9,233,308	\$9,510,307	\$9,795,616	\$10,089,484	\$10,392,169	\$10,703,934	\$11,025,052	\$11,355,804	\$11,696,478	\$12,047,372	\$12,408,793	\$12,781,057	\$12,781,057	Err:522
Annual COLA Adjustment				\$238,942	\$246,110	\$253,494	\$261,098	\$268,931	\$276,999	\$285,309	\$293,869	\$302,685	\$311,765	\$321,118	\$330,752	\$340,674	\$350,894	\$361,421	\$372,264	\$383,432	\$383,432	Err:522
Net Revenue Generated	\$1,991,183	\$5,973,549	\$6,969,141	\$8,203,674	\$8,449,784	\$8,703,278	\$8,964,376	\$9,233,308	\$9,510,307	\$9,795,616	\$10,089,484	\$10,392,169	\$10,703,934	\$11,025,052	\$11,355,804	\$11,696,478	\$12,047,372	\$12,408,793	\$12,781,057	\$13,164,489	\$13,164,489	Err:522
Direct Expenses																						
Interest Expense	2,077,391	2,025,798	1,970,476	1,911,155	1,847,546	1,779,318	1,706,199	1,627,773	1,543,678	1,453,504	1,356,810	1,253,127	1,141,949	1,022,733	894,900	757,825	610,841	453,232	284,229	103,009		Err:522
Principal payment	713,685	765,277	820,599	879,920	943,530	1,011,737	1,084,876	1,163,302	1,247,397	1,337,572	1,434,265	1,537,948	1,649,126	1,768,342	1,896,175	2,033,250	2,180,234	2,337,843	2,506,846	2,688,067		Err:522
Heat Source Royalties	238,942	716,826	836,297	984,441	1,013,974	1,044,393	1,075,725	1,107,997	1,141,237	1,175,474	1,210,738	1,247,060	1,284,472	1,323,006	1,362,696	1,403,577	1,445,685	1,489,055	1,533,727	1,579,739		Err:522
Equipment Amortization	288,281	864,844	1,014,750	1,153,125	1,153,125	1,153,125	1,153,125	1,153,125	1,153,125	1,153,125	1,153,125	1,153,125	1,153,125	1,153,125	1,153,125	1,153,125	1,153,125	1,153,125	1,153,125	1,153,125		Err:522
Site Expenses	39,824	119,471	139,383	164,073	169,996	174,066	179,288	184,666	190,206	195,912	201,790	207,843	214,079	220,501	227,116	233,930	240,947	248,176	255,621	263,290		Err:522
Total Direct Expenses	3,358,123	4,492,216	4,781,505	5,092,714	5,127,171	5,162,639	5,199,213	5,236,863	5,275,643	5,315,587	5,356,728	5,399,104	5,442,751	5,487,707	5,534,013	5,581,730	5,630,832	5,681,431	5,733,548	5,787,229		Err:522
RTR Expenses																						
O&M - Professional Service Fees	1,077,480	1,077,480	1,077,480	1,077,480	1,077,480	1,077,480	1,077,480	1,077,480	1,077,480	1,077,480	1,077,480	1,077,480	1,077,480	1,077,480	1,077,480	1,077,480	1,077,480	1,077,480	1,077,480	1,077,480		21,549,600
Financial Administration	39,824	119,471	139,383	159,295	164,073	168,996	174,066	179,288	184,666	190,206	195,912	201,790	207,843	214,079	220,501	227,116	233,930	240,947	248,176	255,621		3,765,182
Technology License Fee	159,295	477,884	557,531	656,294	675,983	696,262	717,150	738,665	760,825	783,649	807,159	831,374	856,315	882,004	908,464	935,718	963,790	992,703	1,022,485	1,053,159		15,476,708
Warranty	39,824	119,471	139,383	164,073	169,996	174,066	179,288	184,666	190,206	195,912	201,790	207,843	214,079	220,501	227,116	233,930	240,947	248,176	255,621	263,290		3,869,177
RTR Expense Total:	1,316,422	1,794,306	1,913,777	2,057,142	2,086,532	2,116,803	2,147,983	2,180,098	2,213,177	2,247,248	2,282,341	2,318,487	2,355,717	2,394,064	2,433,561	2,474,244	2,516,147	2,559,307	2,603,762	2,649,550		44,660,667
Total Operating Costs	4,674,545	6,286,521	6,695,282	7,149,856	7,213,703	7,279,442	7,347,196	7,416,961	7,488,820	7,562,835	7,639,069	7,717,590	7,798,468	7,881,771	7,967,574	8,055,951	8,146,979	8,240,738	8,337,310	8,436,779		Err:522
Profit	(2,683,362)	(312,972)	273,859	1,053,818	1,236,082	1,423,836	1,617,180	1,816,346	2,021,487	2,232,781	2,450,416	2,674,579	2,905,466	3,143,281	3,388,230	3,640,527	3,900,393	4,168,055	4,443,747	4,727,709	4,727,709	Err:522
Profit %	-133%	-5%	4%	13%	15%	16%	18%	20%	21%	23%	24%	26%	27%	29%	30%	31%	32%	34%	35%	36%		Err:522
Cash Flow																						
Collections	1,991,183	5,973,549	6,969,141	8,203,674	8,449,784	8,703,278	8,964,376	9,233,308	9,510,307	9,795,616	10,089,484	10,392,169	10,703,934	11,025,052	11,355,804	11,696,478	12,047,372	12,408,793	12,781,057	13,164,489		193,458,847
Cash used in operations																						
Principle & Interest Payments	2,791,076	2,791,076	2,791,076	2,791,076	2,791,076	2,791,076	2,791,076	2,791,076	2,791,076	2,791,076	2,791,076	2,791,076	2,791,076	2,791,076	2,791,076	2,791,076	2,791,076	2,791,076	2,791,076	2,791,076		55,821,520
Heat Source/Site Expenses	278,766	836,297	975,680	1,148,514	1,182,970	1,218,459	1,255,013	1,292,663	1,331,443	1,371,386	1,412,528	1,454,904	1,498,551	1,543,507	1,589,813	1,637,507	1,686,632	1,737,231	1,789,348	1,843,028		27,084,239
Operating Expenses	1,316,422	1,794,306	1,913,777	2,057,142	2,086,532	2,116,803	2,147,983	2,180,098	2,213,177	2,247,248	2,282,341	2,318,487	2,355,717	2,394,064	2,433,561	2,474,244	2,516,147	2,559,307	2,603,762	2,649,550		44,660,667
Total cash used	4,386,264	5,421,679	5,680,533	5,996,732	6,060,578	6,126,338	6,194,072	6,263,837	6,335,696	6,409,710	6,485,945	6,564,466	6,645,344	6,728,647	6,814,450	6,902,827	6,993,855	7,087,614	7,184,186	7,283,654		127,566,425
Net Cash Flow	(2,395,081)	551,870	1,288,608	2,206,942	2,389,207	2,576,940	2,770,304	2,969,470	3,174,611	3,385,906	3,603,540	3,827,703	4,058,590	4,296,405	4,541,354	4,793,651	5,053,517	5,321,179	5,596,871	5,880,834		65,892,422
Cash Reserve	3,937,500	1,542,419	2,094,289	3,382,897	5,589,839	7,979,045	10,555,985	13,326,289	16,295,759	19,470,370	22,856,276	26,459,816	30,287,519	34,346,109	38,642,514	43,183,868	47,977,519	53,031,036	58,352,215	63,949,087		639,987,087
Net Cash Reserve	1,542,419	2,094,289	3,382,897	5,589,839	7,979,045	10,555,985	13,326,289	16,295,759	19,470,370	22,856,276	26,459,816	30,287,519	34,346,109	38,642,514	43,183,868	47,977,519	53,031,036	58,352,215	63,949,087		639,987,087	
RTR Net Profit																						
RTR System O&M 20% profit	215,496	215,496	215,496	215,496	215,496	215,496	215,496	215,496	215,496	215,496	215,496	215,496	215,496	215,496	215,496	215,496	215,496	215,496	215,496	215,496		4,309,920
Financial Administration (20%)	7,965	23,894	27,877	31,859	32,815	33,799	34,813	35,858	36,933	38,041	39,182	40,358	41,569	42,816	44,100	45,423	46,786	48,189	49,635	51,124		753,036
Technology License Fee	159,295	477,884	557,531	656,294	675,983	696,262	717,150	738,665	760,825	783,649	807,159	831,374	856,315	882,004	908,464	935,718	963,790	992,703	1,022,485	1,053,159		15,476,708
Operating Profit	(2,683,362)	(312,972)	273,859	1,053,818	1,236,082	1,423,836	1,617,180	1,816,346	2,021,487	2,232,781	2,450,416	2,674,579	2,905,466	3,143,281	3,388,230	3,640,527	3,900,393	4,168,055	4,443,747	4,727,709		44,121,458
Total RTR Profit	(2,300,606)	404,302	1,074,763	1,957,467	2,160,375	2,369,393	2,584,640	2,806,364	3,034,741	3,269,967	3,512,253	3,761,806	4,018,846	4,283,597	4,566,290	4,837,164	5,126,465	5,424,444	5,731,363	6,047,489	6,047,489	64,661,122
Profit %	-116%	7%	15%	24%	26%	27%	29%	30%	32%	33%	35%	36%	38%	39%	40%	41%	43%	44%	45%	46%		32%

Notes:
1) Site leased at no cost to RTR
2) Maintenance costs include travel to site by technician and any parts/labor for routine preventative work.
3) The KWh revenue assumption is minus 0.01 cents paid back to the host as a revenue share.
4) Based upon a 9,000 kw which is equal to 9MW
5) Projected number of 6 PPA - at 1.5MW per location for a total 9MW.
6) Construction time of 6 months to bring that location on line which would generate revenue in the month following completion of construction.
7) Construction for the 6 locations to start at 1 months, 4 months, 8 months, 12 months, 16 months 20 months.