

# PROPOSAL

Presented To:

**Derwick Associates**

For

**Installation of 4 Rolls Royce  
Trent 60**

*Prepared By*



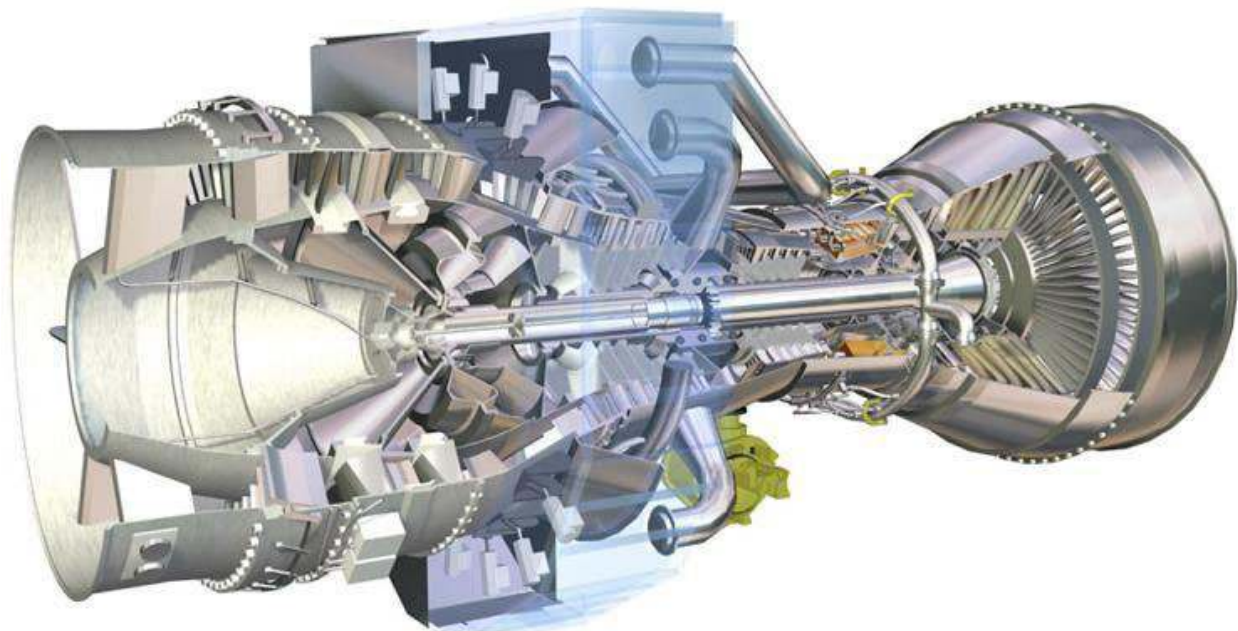
Proposal No. 409-2916

November 19, 2009

**This document is privileged and contains confidential information intended for use only by  
Derwick**

### Introduction

ProEnergy Services (“PES”) is pleased to provide this proposal to “Derwick Associates (“DA”) for the installation of Four (4) Brand new (4) Rolls Royce Trent Gas Turbines



ProEnergy Services (PES) proposes to provide this budgetary proposal Turnkey EPC Services for the subject equipment. While we do not have the site particulars, we have installed the identical equipment at other locations. Therefore, until we obtain firm site requirements we are providing this **budgetary proposal** on short notice based upon the following assumptions:

1. 230 KV Dead end tower, is the High Voltage Utility connection.
2. Diesel Fuel is the liquid fuel for the GTG's and site requires truck unloading
3. Firewater system is required.
4. Buildings are required for Operations, Maintenance – Warehouse, Electrical, and Water Treatment – Firewater Pump, Substation and Guard House.
5. Transportation costs of all equipment from the Port to Site are to the customer's account.
6. Labor will be based upon local non-union labor with ProEnergy Services providing Project Management.

The Owner is assumed to have purchased the subject Gas Turbine Generators and will deliver them to the site when the foundations have been poured and are ready to receive the equipment.

### **EPC**

- Major Equipment (not inclusive):
  - Plant PESS System
  - Oil/Water Separator
  - Switchgear Building
  - Control Room Building
  - Instrument Air Compressor
- Engineering, Design, Procurement, Construction Management (project management, safety – QA/QC, scheduling), Subcontracting for local equipment rental, civil, mechanical and electrical labor and material, commissioning, training, start-up, and testing.
- Schedule: Commercial Operation Date (“COD”) is estimated to be 6 months from contract execution.
- The Budgetary price for the Turnkey EPC Proposal including a tested and operational facility is US **\$61,770,000 million**. This assumes a mutually agreeable contract is negotiated by December 30 of 2009 with the Commercial Operation Date of May 15, 2010

Name: Energy Parts Solutions LLC  
Bank: US BANK  
Routing# 081000210  
Account #152305958703  
Swift Code: USBKUS 44IMT (that is an “T” not an 11

---

### **Terms of Payment EPC-EQUIPMENT**

First Payment	Due at Contract Signing to Secure Major Equip	(70%)
Second Payment	Due When BOP Equipment at US Port	(10%)
Third Payment	Due When GT on Pad at Site	(2.5%)
Fourth Payment	Due When GSU on Pad at Site	(5.0%)
Fifth Payment	Due Upon Mechanical Completion	(2.5%)
Sixth Payment	Due Upon 1st Fire of	(2.5%)
Seventh Payment	Due Upon Readiness to Export Power	(5.0%)
Final Payment	Due Upon Final Completion of Plant	(2.5%)

### **Taxes/Duties/Bank Expenses**

All taxes, VAT, custom duties, and bank expenses due are for the purchaser's account.

### **Proposal Validity**

This budgetary proposal is valid for thirty (30) days. The equipment described herein is subject to prior sale.

### **Terms and Conditions**

This proposal is based on ProEnergy Services standard Terms and Conditions.

### **Confidentiality**

This Proposal is submitted in confidence for evaluation by Buyer. Its contents are proprietary to Seller. By taking receipt of this Proposal, Buyer agrees not to reveal its contents in whole or in part beyond those persons in its own organization necessary to properly evaluate this Proposal or to perform any resulting contract. Buyer shall not reveal the contents of this Proposal to a third party or make copies of this Proposal without the prior written consent of Seller. Buyer shall return this entire Proposal to the undersigned, if Buyer does not accept this Proposal.



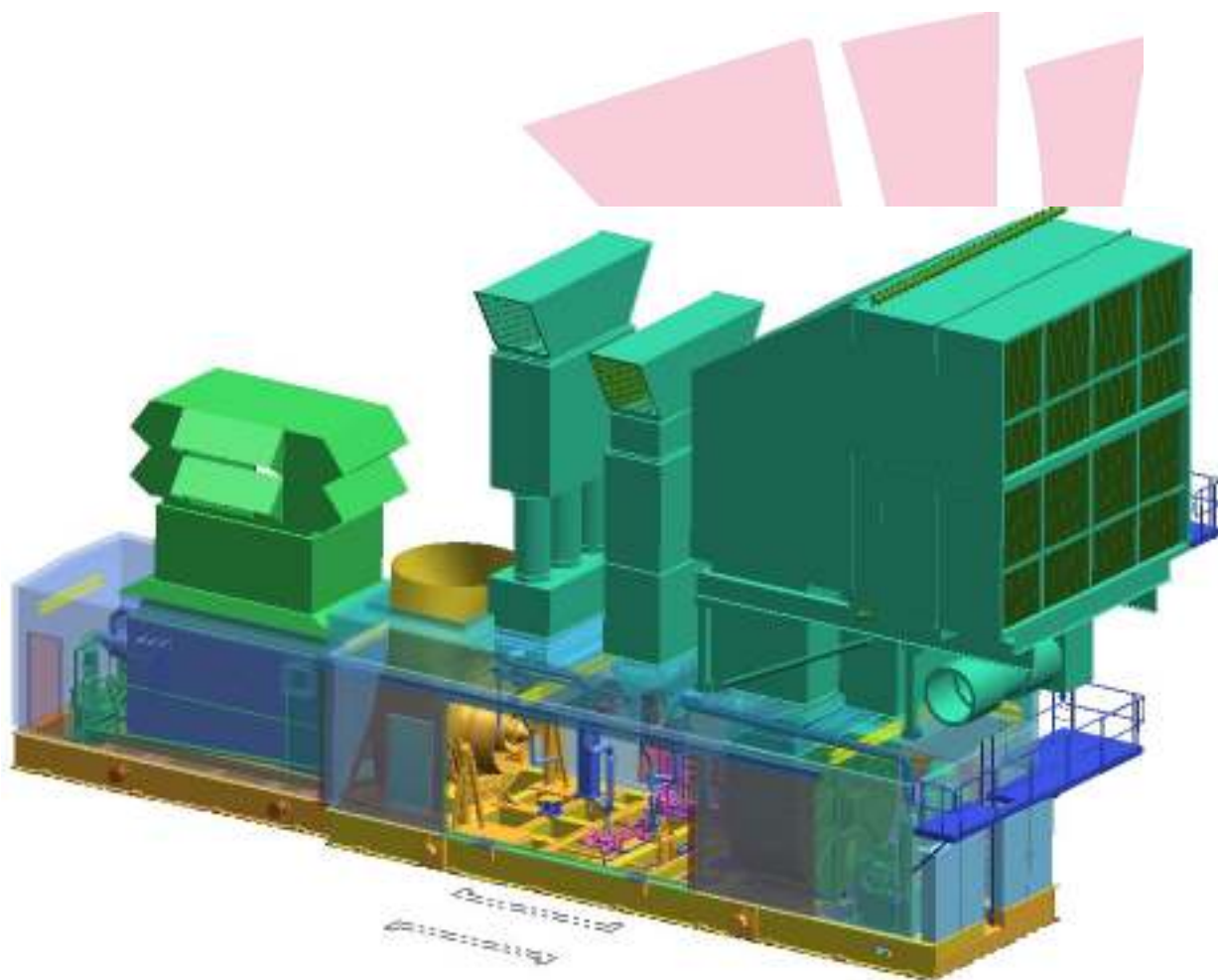
We sincerely appreciate this opportunity to provide you with this offer and are willing to discuss any issues and resolve them on a mutually acceptable basis as you progress through your overall proposal preparation.

### **Follow Up**

Please contact the following person at ProEnergy Services for information regarding this proposal:

Joaquin Mavares  
Director of International Sales  
[jmavares@proenergyservices.com](mailto:jmavares@proenergyservices.com)  
Cell: +1 (713) 992-1790

Omar Petit  
Regional Latin America  
[opetit@proenergyservices.com](mailto:opetit@proenergyservices.com)  
Cell: +1 (660) 281-8588



## SCOPE CLARIFICATIONS AND ASSUMPTIONS

In an attempt to provide a real price for engineering, procurement and construction services required for this facility, the following major assumptions have been made:

### Civil

1. Clean, graded, and level site with free and clear access, suitable for spread footing/mat foundations is to be provided by the Owner. The load bearing capacity of the prepared site is assumed to be a minimum of 2000 psf at three feet below finished grade.
2. The site soil characteristics are suitable for a standard subsurface ground grid system without the need for the installation of additional ground wells.
3. Adequate construction laydown area is available on the proposed construction site.
4. All excavation is accomplished through conventional methods, and blasting is not required.
5. Excavated materials are suitable for structural backfill.
6. Storm water runoff is by surface drainage to the battery limits. No runoff is assumed from adjacent areas. No provisions are included for storm water treatment or containment.
7. No site de-watering is required.
8. No site development except for structural excavation is included.
9. Any necessary site environmental clean up is to be completed by Owner.
10. Above ground pipe and cable installation is acceptable.
11. Suitable concrete batch plant available producing a minimum capacity of 2000 cubic yards of 3500 psi quality concrete.

### **Electrical**

High voltage electrical interface is the 13.8 kV, primary side of the existing transformer. Distance from generator breaker to main transformer is assumed to be less than 300 feet.

Owner's existing step-up transformer and substation to be used. Grounding grid for the substation also assumed to be part of Owner's scope of supply.

Owner to be responsible for all design studies and protection requirements for the high voltage scope of the project.

Protection has been included for all Derwick supplied equipment, as well as protection between the generator breakers and the main transformer (see attached one-line diagram).

General plant lighting will be provided for control house and service areas only. Power, instrument and control cable will be installed above ground.

### **Mechanical**

All waste oil from the oily water separator will be contained in a buried, 5000-gallon tank, to be disposed of by Customer.

It is assumed that the water runoff from the oily water separator will be sent to the appropriate sewer system to be provided by the Owner.

Proposed equipment and site layout may be subject to change as required by local environmental requirements, detail engineering and/or constructability reviews. Customer will supply gas fuel to the facility at the required pressure, quantity and quality as specified by RR for aeroderivative gas turbines.

It is assumed that potable water will be made available by the Owner for the water treatment system.

Water treatment equipment has been specified assuming supply water quality per Appendix A.

A pressurized fire loop, if required, is to be supplied by the Owner; however, two (2) fire extinguisher carts will be provided by Derwick for fire suppression.

### **Miscellaneous**

No site visit, soils analysis, water analysis, fuel analysis, or other site specific data has been evaluated for impact on total project cost or schedule.

Price is based on U.S. dollars.

A cash positive payment schedule to be negotiated in good faith.

Transportation routes have not been surveyed and identified. Alternate routing may affect project completion and cost.

All transportation to be CIP (Carriage & Insurance Paid). all import taxes, duties, or any other import charges are assumed to be in the Owner's scope of supply.

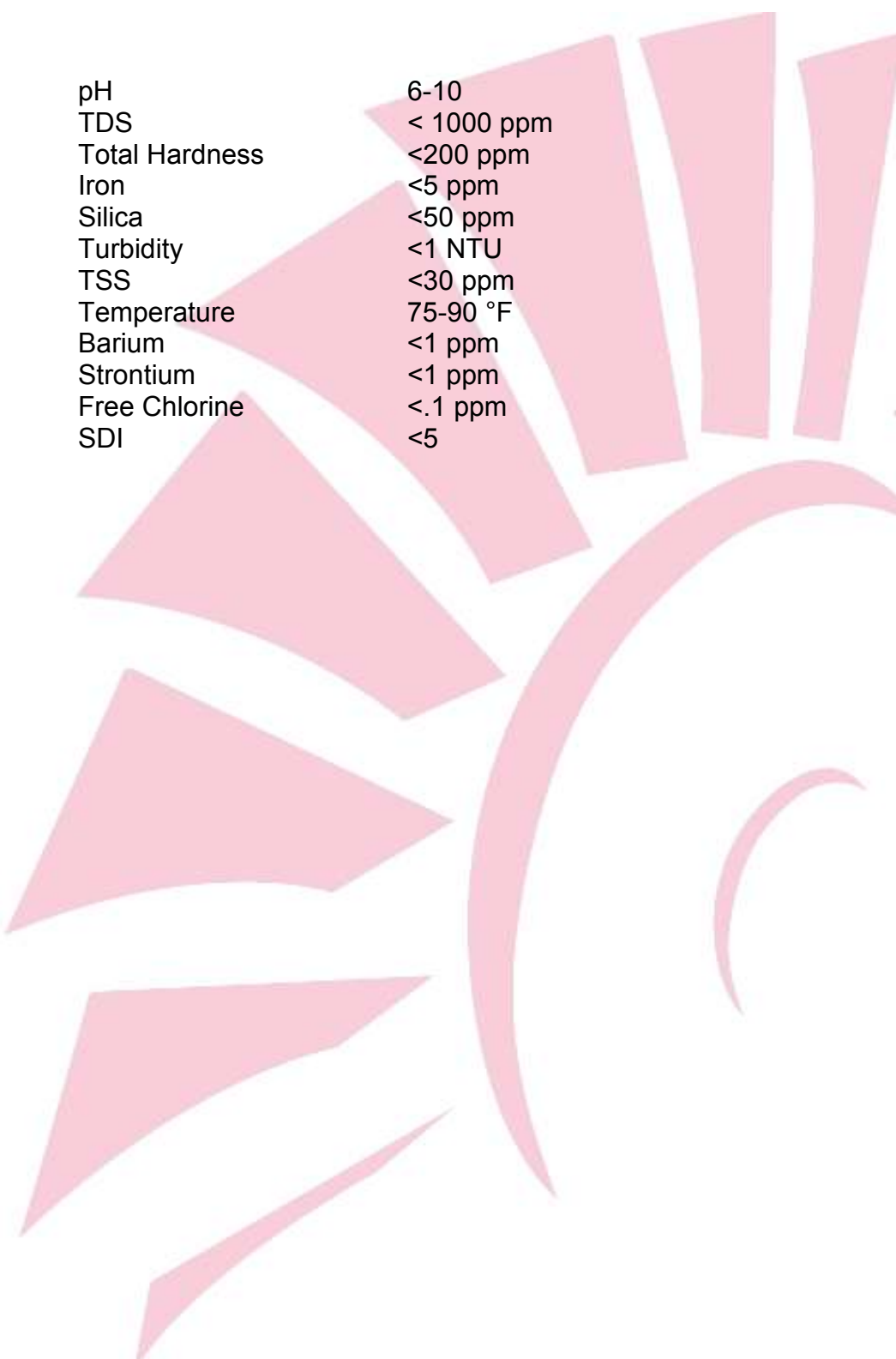
Derwick assumes that US codes and standards for similar projects are acceptable, and that no additional local codes, standards, or permits will be imposed.

Performance test will be performed after the scheduled 17 week startup.

A one year warranty period has been included in Derwick's scope of supply.

9. As the equipment selection for water treatment plants can vary greatly for different water sources, we have based our estimate on the following feed water parameters:





pH	6-10
TDS	< 1000 ppm
Total Hardness	<200 ppm
Iron	<5 ppm
Silica	<50 ppm
Turbidity	<1 NTU
TSS	<30 ppm
Temperature	75-90 °F
Barium	<1 ppm
Strontium	<1 ppm
Free Chlorine	<.1 ppm
SDI	<5

## H. EXCLUSIONS

Derwick has excluded these items listed below from our offering. Any other major equipment or service not described in our written proposal is also excluded:

- Absorption chiller and chilled water supply system
- Balance of plant and energy optimization controls
- Boiler feed pump and auto level control assembly
- Cooling tower and circulating water system
- Deaeration and chemical injection equipment
- Desuperheater equipment
- Distributed plant control
- Filter house support structure, other than standard
- Free access to site during construction.
- Fuel, fluids and chemicals
- Fuel storage tanks, forwarding equipment and primary fuel filter
- Heat recovery boiler and blowdown controls
- High voltage step-up transformer(s), cables, switchgear and associated equipment
- Plant utilities
- Power plant calibration tools and ordinary hand tools
- Sanitary facilities.
- Security for personnel and equipment at the site.
- Site power and water supply during construction.

- Site real estate.
- Spare parts (quoted separately)
- Steam filtration and purification equipment
- Steam turbine condenser and condensate pumping equipment
- Steam turbine generator set
- Telephone communication lines to site during construction.
- Water injection pressurization equipment

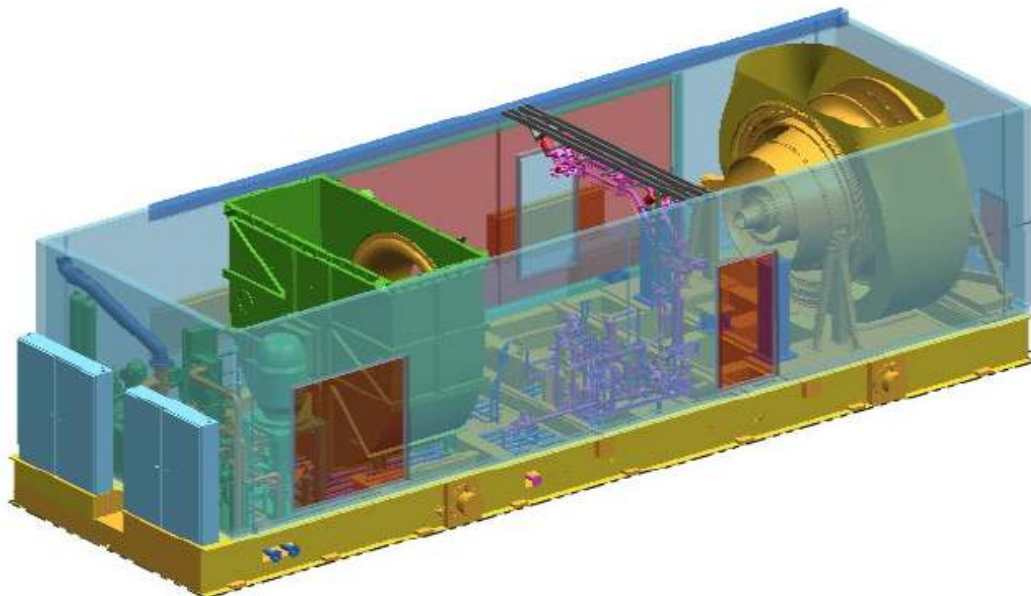


# **The Industrial Trent Site Installation Requirements**

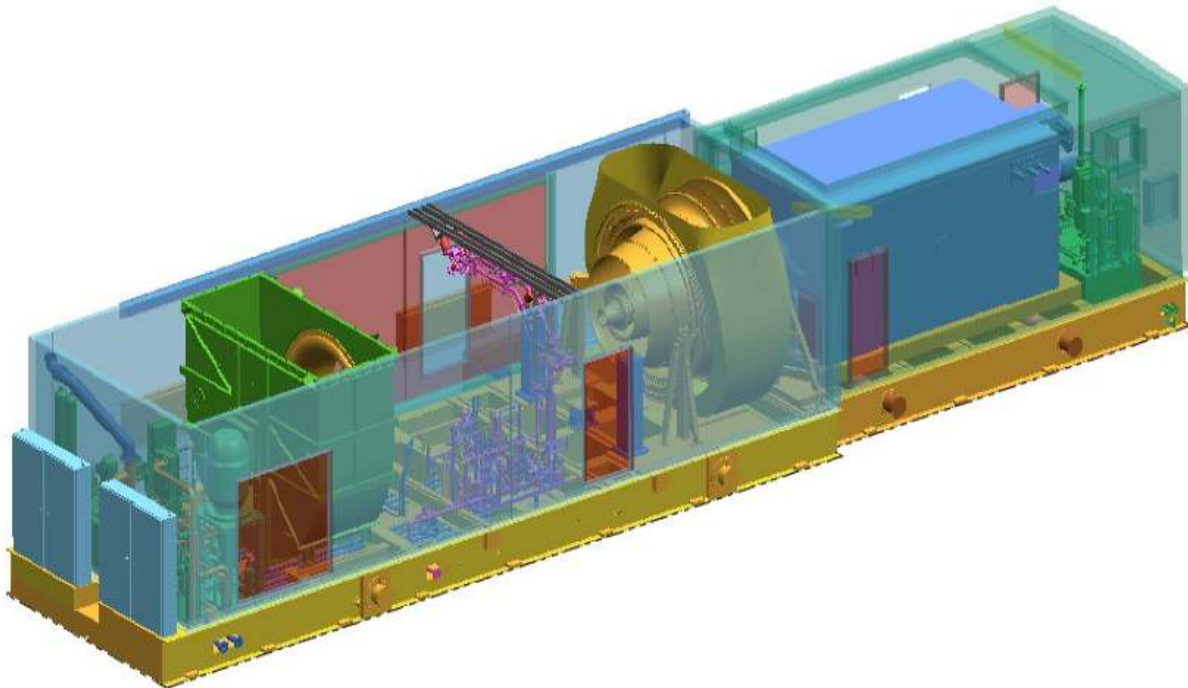


# First Lift

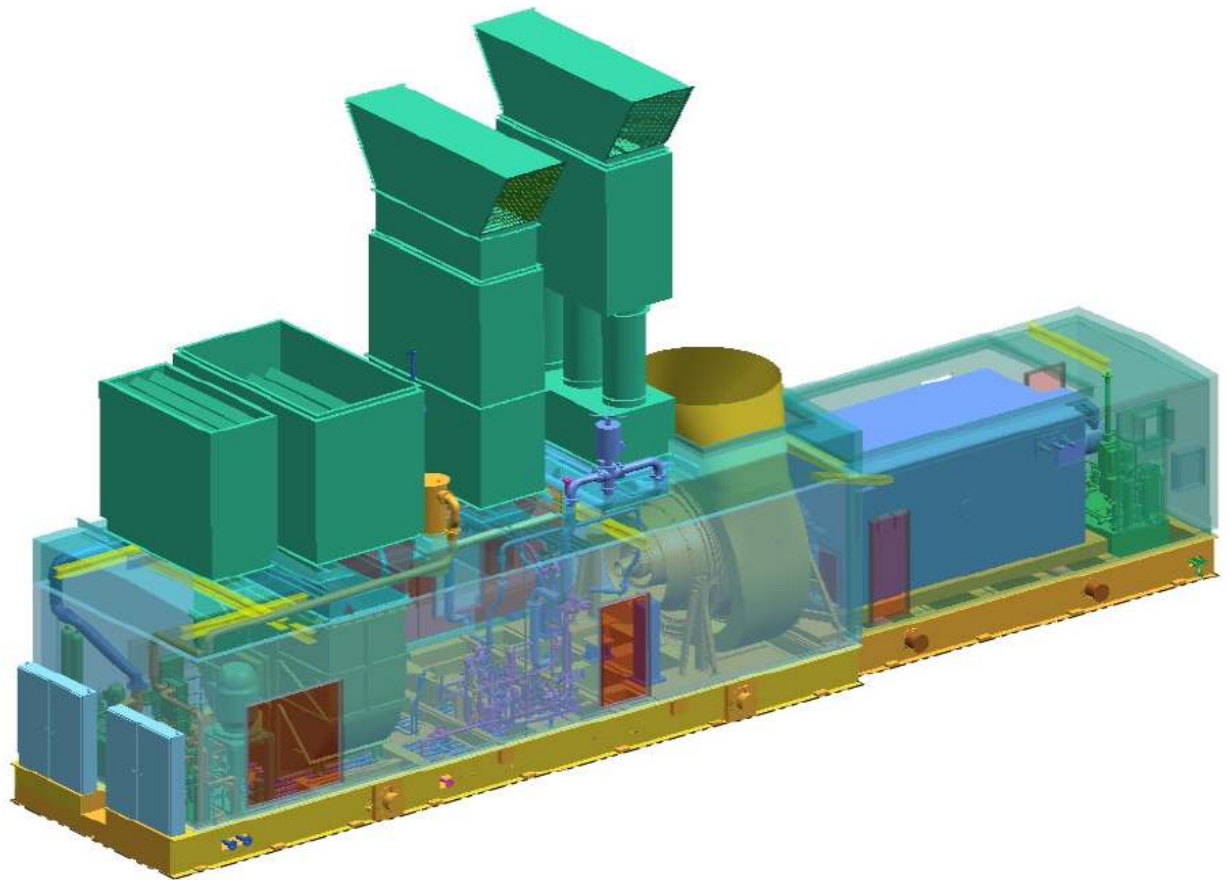
## Trent Engine Base Module



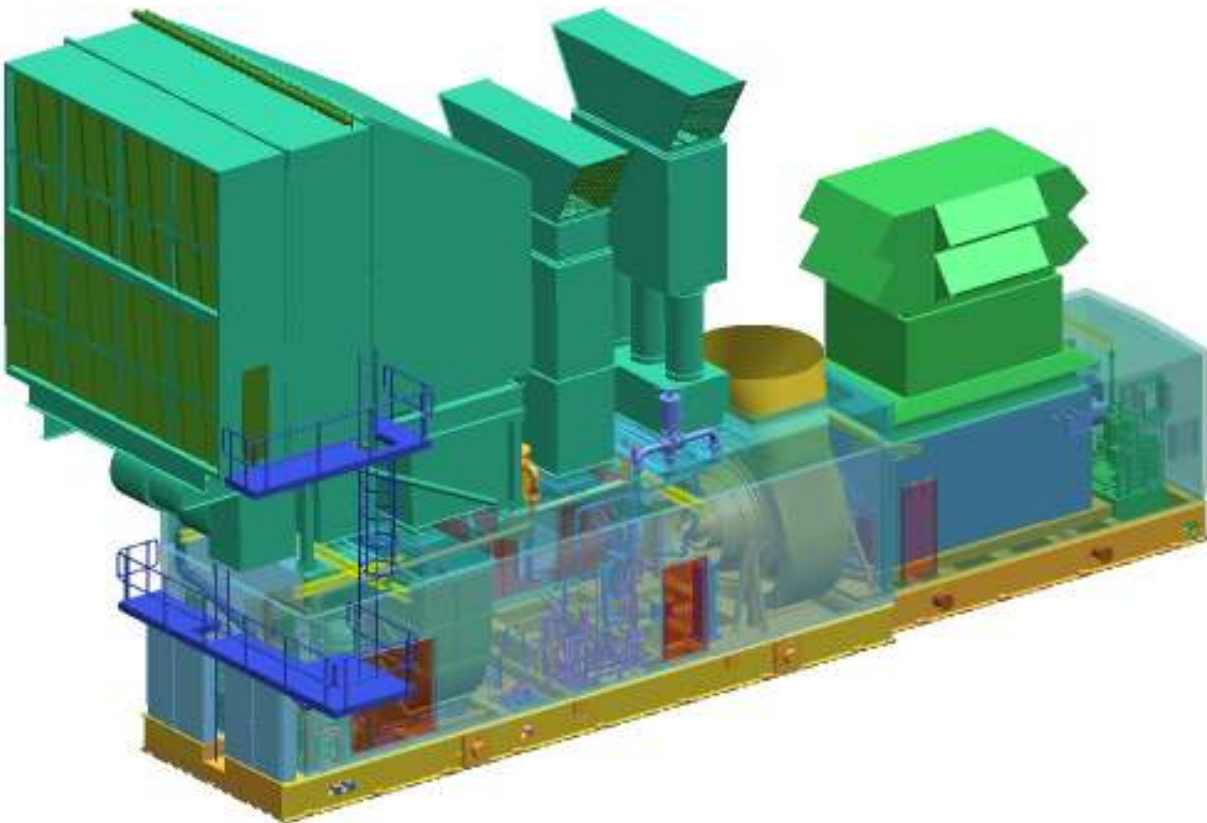
# Second Lift Generator Package



## Third Lift “Top Hat” of GT Skid

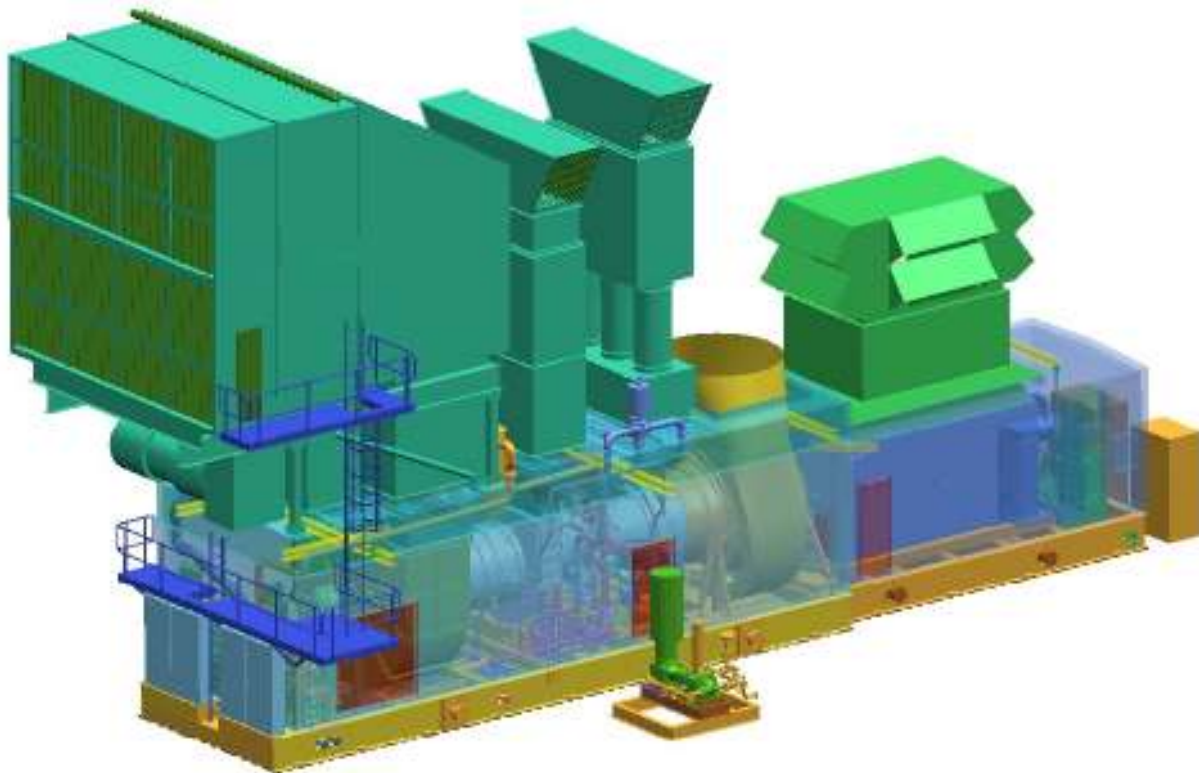


## Fourth and Fifth Lift Two halves of Inlet

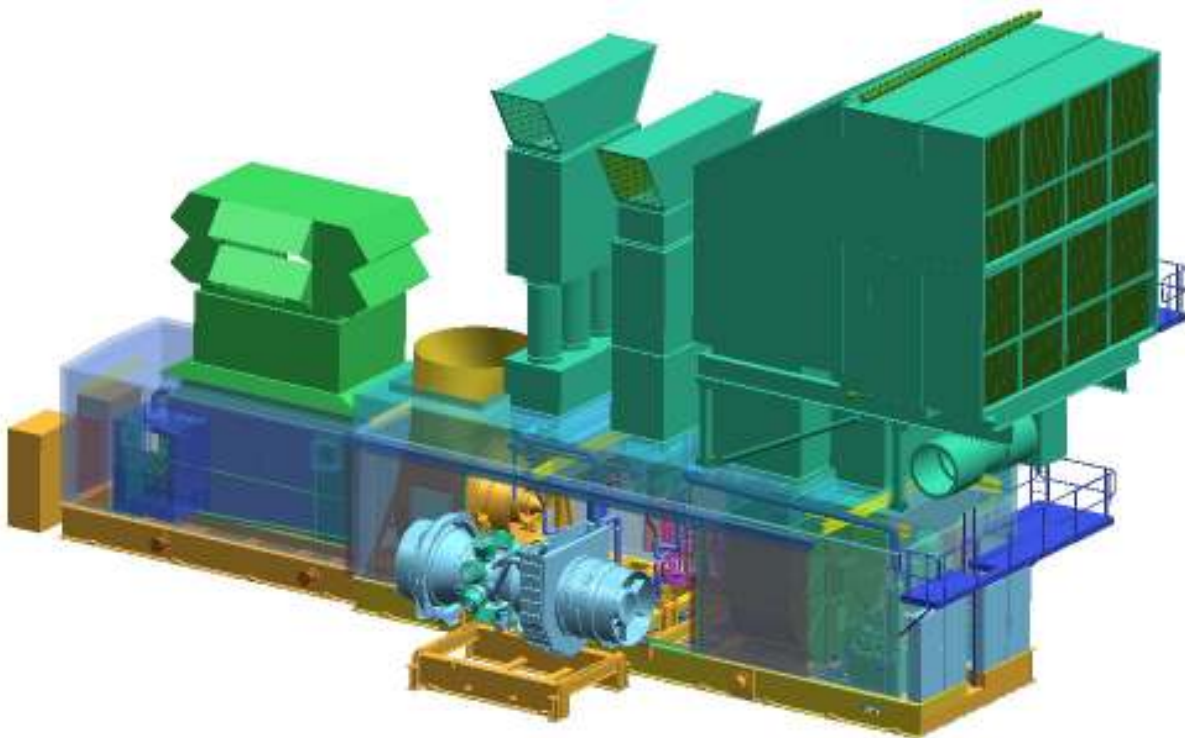


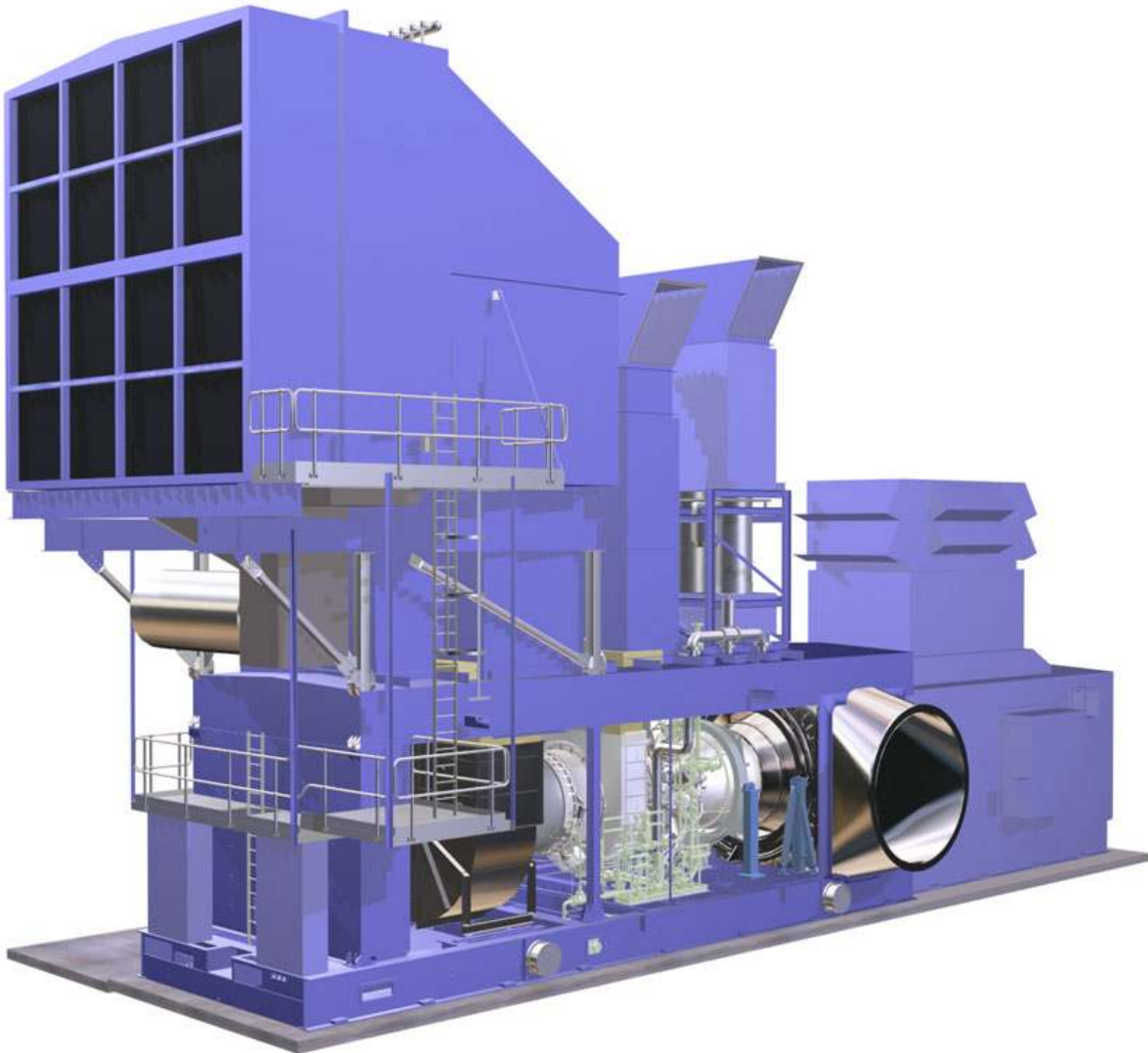


## Sixth Lift Water forwarding system



## Seventh Lift Trent Engine





Complete Package