

EVALUATION MATRIX FOR GRU BIOMASS PLANT PROPOSALS - APRIL 2008
 RECALCULATION #1

7/01/11/54
 Com STD
 5/12/2008

| Category/Factor | Factor Weight | Covanta 2 | | Nacogdoches 2 | | NOTES TO EXPLAIN CHANGES IN WEIGHTING AND SCORING |
|------------------------------|---------------|----------------------------|-------------------------|-----------------------------|-------------------------|---|
| | | 50 MW, EPC factor score | weighted score | 100 MW, PPA factor score | weighted score | |
| I. ENVIRONMENTAL | | | | | | |
| (1/d) Emissions | 10/5* | | -19* | | -16* | * Reduce weight because CO2 only by delivery; Truck pollution only 2.5% x Train. |
| (2/g) Forest Mgt | 7 | | -- | | -- | |
| (3/m) Waste | 8/4* | | +5** | | -- | * No hazardous waste. Marketable? ** Covanta burns 1/2 x Nacogdoches. |
| (4/lb) Siding | 5 | | +5* | | -5* | * With Covanta. Less land used. Control of land kept by City. |
| ENVIRONMENT TOTAL | | | | | | |
| | 30 | | | | | |
| II. ECONOMICS | | | | | | |
| (5/a) All-in Costs | 25 | | +35* | | -- | * Score equalized because no explanation given for difference in scoring. |
| (6/b) Variable costs | 5 | | +7* | | -- | * Score equalized because no explanation given for difference in scoring. |
| (7/d) In-service date | 4 | | +9* | | -9* | * Covanta in service 1-2 years earlier than Nacogdoches. |
| (8/n) Local Impact | 3 | | +3* | | -3* | * Covanta in service 1-2 years earlier than Nacogdoches. |
| ECONOMICS TOTAL | | | | | | |
| | 37 | | | | | |
| III. RISK/RELIABILITY | | | | | | |
| (9/b) Contract terms | 10 | | +3* | | -- | * Correction for weighting bias in favor of PPA over Ownership. |
| (10/c) Reliable capacity | 5 | | +8* | | -- | * Score equalized because no explanation given for difference in scoring. |
| (11/e) Fuel Qty & Only | 3 | | -- | | +3* | * Score equalized because no explanation given for difference in scoring. |
| (12/l) Size and Design | 5 | | +2* | | -2* | * Operating smaller plant is easier; Management by Owner is better. |
| (13/j) Bidder's record | 5 | | -- | | +10 | * Score difference unexplained -- but if N's management reputation is weak, uh oh. |
| (14/d) Bidder's Finances | 5 | | +3* | | -3* | * Score difference unexplained -- but if C's 13 is stronger, how likely C's 14 is weaker? |
| RISK TOTAL | | | | | | |
| | 33 | | | | | |
| GRAND TOTAL | | | | | | |
| | 100/91 | | 367.1 + 610 428.1 | | 432.2 - 250 407.2 | |