



**:ENERGY**



# Single New Facility Added Online Annually

Financial Projections (728 Bases Opportunity)

## Based on the DoD Business Only

DoD Business	Unit Price					\$10.00	Investment	\$5,000,000
	2028	2029	2030	2031	2032			
# Bases Online	1	4	8	12	20			
Revenue	\$227,546,789	\$910,187,158	\$1,820,374,315	\$2,730,561,473	\$4,550,935,788			
Operating X	-\$40,958,422	-\$163,833,688	-\$327,667,377	-\$491,501,065	-\$819,168,442			
Debt Service	-\$149,432,823	-\$597,731,293	-\$1,195,462,585	-\$1,793,193,878	-\$2,988,656,463			
Profit b/taxes	\$37,155,544	\$148,622,177	\$297,244,353	\$445,866,530	\$743,110,883			
To Investor	\$702,671	\$2,810,686	\$5,621,371	\$8,432,057	\$14,053,429			
Annual Return %	<b>14.05%</b>	<b>56.21%</b>	<b>112.43%</b>	<b>168.64%</b>	<b>281.07%</b>			
K-1 (LLC)	<b><u>\$702,671</u></b>	<b><u>\$3,513,357</u></b>	<b><u>\$9,134,729</u></b>	<b><u>\$17,566,786</u></b>	<b><u>\$31,620,214</u></b>			

### BUSINESS ASSUMPTIONS DRIVING THE FINANCIAL PROJECTIONS

1. Investment of \$5,000,000
2. The 1<sup>st</sup> Power Plant is FULLY operational generating revenue and income in 2028
3. Interest rate stays the same
4. Amortization stays the same
5. Tariff stays the same
6. Capex for the DoD Bases is + \$300,000,000 Land Acquisition Cost



# Financial Projections For A Single Power Plant

<u>Year</u>	<u>\$/MWh</u>	<u>Gross Revenue</u>	<u>OpX</u>	<u>Taxes</u>	<u>US DoD P3</u>	<u>Net Income</u>	<u>Cash Flow</u>
1	\$90.00	\$227,546,789	-\$40,958,422	-\$18,363,716	\$11,905,699	\$70,423,858	\$18,791,828
2	\$89.10	\$225,271,321	-\$40,958,422	-\$19,395,463	\$12,377,355	\$72,605,265	\$15,484,613
3	\$88.21	\$223,018,608	-\$40,958,422	-\$20,590,133	\$12,923,489	\$75,131,139	\$12,037,230
4	\$87.33	\$220,788,422	-\$40,958,422	-\$21,962,349	\$13,550,788	\$78,032,395	\$8,434,828
5	\$86.45	\$218,580,538	-\$40,958,422	-\$23,528,110	\$14,266,565	\$81,342,862	-\$3,870,390
6	\$85.59	\$216,394,733	-\$40,958,422	-\$25,304,925	\$15,078,823	\$85,099,556	-\$8,633,331
7	\$84.73	\$214,230,785	-\$40,958,422	-\$27,311,950	\$15,996,320	\$89,342,980	-\$13,679,699
8	\$83.89	\$212,088,477	-\$40,958,422	-\$29,570,145	\$17,028,638	\$94,117,449	-\$19,037,715
9	\$83.05	\$209,967,593	-\$40,958,422	-\$32,102,442	\$18,186,259	\$99,471,448	-\$12,526,094
10	\$82.22	\$207,867,917	-\$40,958,422	-\$34,933,931	\$19,480,654	\$105,458,026	-\$17,457,260
11	\$81.39	\$205,789,238	-\$40,958,422	-\$36,322,228	\$20,115,304	\$108,393,283	\$128,508,587
20	\$74.36	\$187,992,018	-\$40,958,422	-\$31,339,007	\$17,837,260	\$97,857,329	\$115,694,589
30	\$67.25	\$170,016,611	-\$40,958,422	-\$36,136,293	\$16,519,448	\$76,402,448	\$92,921,896
40	<u>\$60.82</u>	<u>\$153,759,976</u>	<u>-\$40,958,422</u>	<u>-\$31,584,435</u>	<u>\$14,438,599</u>	<u>\$66,778,520</u>	<u>\$81,217,119</u>
		\$7,532,441,353	-\$1,638,336,884	-\$1,231,937,347	\$661,475,358	\$3,489,403,533	\$3,128,603,334

## BUSINESS ASSUMPTIONS DRIVING THE FINANCIAL PROJECTIONS

1. We have several agreements verbally and signed for 300 MW Power Plant Facilities
2. Each facility is estimated to cost (Capex) \$983,000,000 (approximately but the Pro Forma has the exact number)
3. Capex includes \$300,000,000 per base to purchase the land
4. Loan Amortization is for 10 Years NOT longer
5. Loan Interest is projected at 9% (for the 1<sup>st</sup> projects)
6. The Electricity Tariff starts at \$90/MWh (\$0.09/kWh or 9 cents a kWh)
7. The Tariff is 40-Years
8. The Tariff annual price of electricity GOES DOWN 1% annually



# Cash Benefits To DoD



The Department of Defense is America's largest government agency. With our military tracing its roots back to pre-Revolutionary times, the department has grown and evolved with our nation. Our mission is to provide the military forces needed to deter war and ensure our nation's security.

**We Are Your Defense**

## The G: Energy and DoD P3

# Financial Projections For A Single Power Plant

## Estimating How Much DoD saves Per Base

Year	Electricity Zero Transmission Charges	G: Energy Tariff - DoD Estimate		I% Electricity Escalation	Transmission Charges	Total	G: Energy Tariff - DoD Estimate		DoD Dollars Saved Annually			
		Electricity ONLY					\$60.00 DoD Tariff (Estimate)	\$66.00 DoD Tariff (Estimate)				
		G: Energy Tariff	Differential									
Year	\$/MWh	\$/MWh	-	\$/MWh	\$/MWh	\$/MWh	\$/MWh	\$/MWh	DoD Dollars Saved Annually			
1	\$90.00	(\$30.00)	100.00%	\$60.00	\$66.00	\$126.00	\$36.00		\$91,018,716			
2	\$89.10	(\$28.50)	101.00%	\$60.60	\$66.66	\$127.26	\$38.16		\$96,479,839			
3	\$88.21	(\$27.01)	102.00%	\$61.20	\$67.32	\$128.52	\$40.31		\$101,918,207			
4	\$87.33	(\$25.53)	103.00%	\$61.80	\$67.98	\$129.78	\$42.45		\$107,334,048			
5	\$86.45	(\$24.05)	104.00%	\$62.40	\$68.64	\$131.04	\$44.59		\$112,727,587			
6	\$85.59	(\$22.59)	105.00%	\$63.00	\$69.30	\$132.30	\$46.71		\$118,099,048			
7	\$84.73	(\$21.13)	106.00%	\$63.60	\$69.96	\$133.56	\$48.83		\$123,448,650			
8	\$83.89	(\$19.69)	107.00%	\$64.20	\$70.62	\$134.82	\$50.93		\$128,776,613			
9	\$83.05	(\$18.25)	108.00%	\$64.80	\$71.28	\$136.08	\$53.03		\$134,083,153			
10	\$82.22	(\$16.82)	109.00%	\$65.40	\$71.94	\$137.34	\$55.12		\$139,368,484			
20	\$74.36	(\$2.96)	119.00%	\$71.40	\$78.54	\$149.94	\$75.58		\$191,100,933			
30	\$67.25	\$10.15	129.00%	\$77.40	\$85.14	\$162.54	\$95.29		\$240,932,890			
40	\$60.82	\$22.58	139.00%	\$83.40	\$91.74	\$175.14	\$114.32		\$289,046,077			

DoD Saves \$91,018,716 annually Per Base



# Financial Projections For A Single Power Plant

## How Much DoD P3 Revenue Per Base

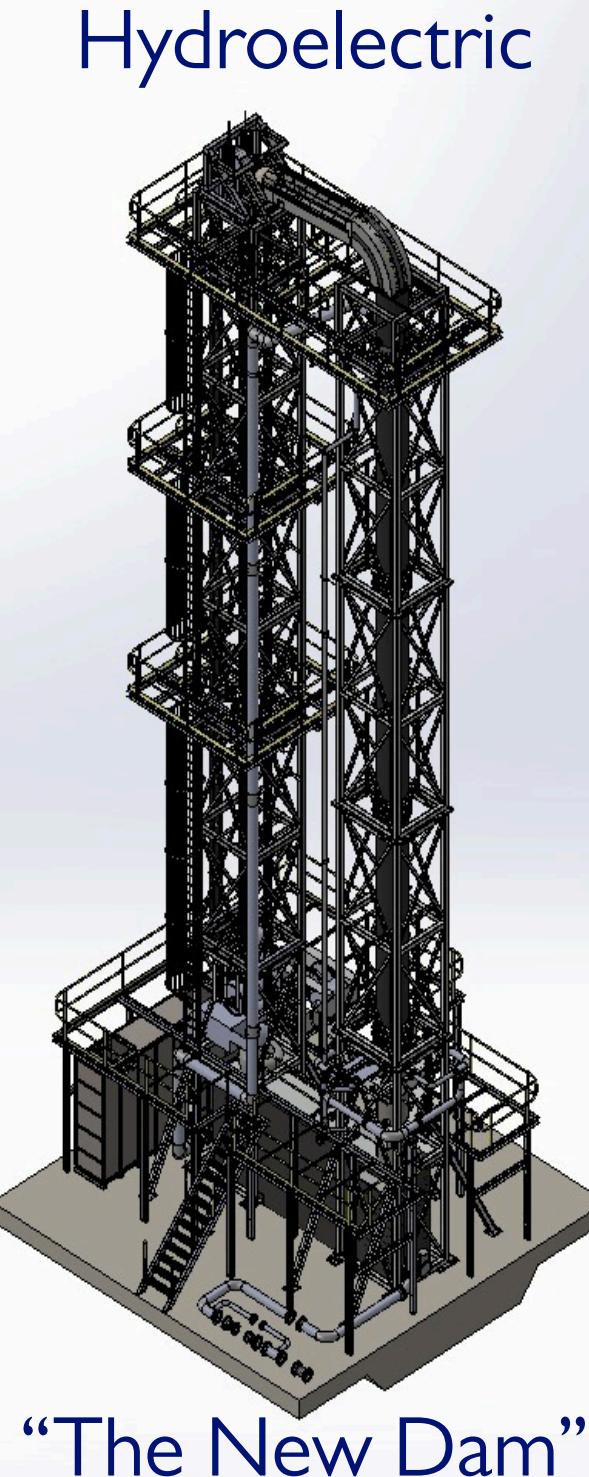
<u>Year</u>	<u>US DoD P3</u>						
1	\$11,905,699	11	\$20,115,304	21	\$17,596,630	31	\$16,301,827
2	\$12,377,355	12	\$19,851,894	22	\$17,358,407	32	\$16,086,382
3	\$12,923,489	13	\$19,591,118	23	\$17,122,566	33	\$15,873,091
4	\$13,550,788	14	\$19,332,950	24	\$16,889,083	34	\$15,661,934
5	\$14,266,565	15	\$19,077,363	25	\$16,657,935	35	\$15,452,887
6	\$15,078,823	16	\$18,824,332	26	\$16,429,098	36	\$15,245,932
7	\$15,996,320	17	\$18,573,832	27	\$16,202,550	37	\$15,041,046
8	\$17,028,638	18	\$18,325,836	28	\$15,978,268	38	\$14,838,208
9	\$18,186,259	19	\$18,080,321	29	\$16,739,268	39	\$14,637,400
10	<u>\$19,480,654</u>	20	<u>\$17,837,260</u>	30	<u>\$16,519,448</u>	40	<u>\$14,438,599</u>
	\$150,794,590		\$189,610,210		\$167,493,253		\$153,577,306

DoD Receives \$661,475,358 Per Base over 40-Years



24/7/365  
Energy  
Generation  
  
7,884 hours  
per year  
(90% Capacity Factor)

**Solar** 2,200  
**Wind** 4,000



California  
Energy  
Commission “CEC”  
  
“RPS”  
Renewable Program  
Standard  
“Small Hydro”

**Precertified Eligible for California's Renewables Portfolio Standard**  
This is to officially state that beginning on **August 26, 2010**, the proposed facility,  
**SPGCA-1, LLC**  
Owned by **Genenergy LLC**,  
To be Located in the Pacific Ocean at **35° 9' 36.04" N, 120° 58' 28.08" W**  
And Anticipating the Commencement of Commercial Operations on:  
**January 1, 2014**

Has been precertified by the California Energy Commission as eligible for California's Renewables Portfolio Standard under the criteria established in the **Renewables Portfolio Standard Eligibility Guidebook, Third Edition**, publication number **CEC-300-2007-006-ED3-CMF**, January 2008, and the **Overall Program Guidebook, Second Edition**, publication number **CEC-300-2007-003-ED2-CMF**, January 2008, and assigned CEC-RPS-ID number:  
**61230C**

**RECEIPT OF PRECERTIFICATION STATUS DOES NOT GUARANTEE THAT THIS FACILITY WILL BE ELIGIBLE FOR RPS CERTIFICATION IN THE FUTURE.**

The application for this proposed facility was submitted by **Kurt Grossman**, of **SPGCA, LLC**, on behalf of the facility owner, **Genenergy LLC**. The accuracy of the information in the submitted application for RPS precertification and all supplemental documentation was attested to by **Kurt Grossman**, holding the position of **Investor** at **SPGCA, LLC**.

The proposed facility has an identified total nameplate capacity, measured in alternating current, of **25 MW**.  
And will be using the following energy resource(s):

Energy Resource	Anticipated Annual Percent*	Renewable**
Small Hydroelectric	100 %	Yes

\* Anticipated annual percent resource to the electrical output of the facility is based on the use of separate meters for each generating unit.  
\*\* Small Hydro eligible Renewable Energy Credits will not be created for any electricity resulting from the use of nonrenewable energy resources, except in the case where the use of renewable energy resources does not result in a measurable increase in power output. The use of nonrenewable energy resources is prohibited under the Small Hydro Eligibility Guidelines. The application for RPS certification is submitted for the proposed facility, and sufficient evidence has been submitted in support of compliance with these requirements. The California Energy Commission will determine the facility's RPS certification status based on the information identified by the identified renewable energy resource.

The **Genenergy** technology to be implemented at the proposed **SPGCA-1, LLC** facility was determined to meet the definition of "hydroelectric" in the **Overall Program Guidebook, Second Edition**, by the Energy Commission's Renewables Committee in its decision dated April 25, 2011 under the docket 11-RGA-1. **Hydroelectric** is defined in the **Overall Program Guidebook, Second Edition**, as: "a technology that produces electricity by using falling water to turn a turbine generator, referred to as

The Energy Commission does not consider the use of linear generators or generation of electricity through any means that do not involve the moving water that is used to turn a turbine generator. Thus any generation, or proposed generation, of electricity at the proposed **SPGCA-1, LLC** facility that is not a use of linear generators or generation of electricity through any means that do not involve the moving water that is used to turn a turbine generator is not considered hydroelectric. The eligibility of any portion of the proposed **SPGCA-1, LLC** facility generating electricity through one of these methods will be addressed in the review of the RPS certification application submitted by the facility owner to the Energy Commission.

This facility has conditionally satisfied the RPS eligibility requirement for new hydroelectric facilities specified in PUC §899.12 and §899.12.5 and in the **Renewables Portfolio Standard Eligibility Guidebook, Third Edition**, pending submission of the information identified above and the submission of the proposed facility's supporting documentation to the Energy Commission. This missing information must be provided when an application for RPS certification is submitted to the Energy Commission.

This precertification is based on an evaluation of the potential RPS-eligibility of the proposed facility, as described in the submitted application and supporting documentation, under the **Renewables Portfolio Standard Eligibility Guidebook, Third Edition**, publication number **CEC-300-2007-006-ED3-CMF**, January 2008, and the **Overall Program Guidebook, Second Edition**, publication number **CEC-300-2007-003-ED2-CMF**, January 2008, and is limited pursuant to the **Renewables Portfolio Standard Eligibility Guidebook** in place at the time a complete application for certification has been submitted to the California Energy Commission.

The precertification of the **SPGCA-1, LLC** facility may be rejected if any of the information presented in the precertification application, or supporting documentation submitted to the California Energy Commission is deemed to be false or inaccurate.

The California Energy Commission must be notified of any changes to the proposed facility's operations, ownership, or representation that could impact the precertification of the facility on an amended precertification application.

  
Tony Goncalves

April 9, 2012  
Date Issued

# Executive Summary

## *A New Hydropower Generator System*

### PAIN/PROBLEM

Renewable energy systems Capes & Opex is too costly. Global Annual IRR/ROI is 5%-7% (Weak).  
There is increased opposition to “Green” energy; both Wind & Solar. Communities block new development.

### GOD'S ENERGY TECHNOLOGY HAS 2 GENERATOR SYSTEMS NOT ONE!

1. Gravity Drive (AIR) mechanical drive 50% of the electricity
2. Buoyancy (WATER) hydroelectric turbine 50% of the electricity

Private Companies On Our Property is our 1<sup>st</sup> more profitable customer followed by Wholesale to the Grid Sales.  
Cash Flow begins months after breaking ground well before interconnection to the Grid.

### SOLUTION MOST COMPARABLE WITH NUCLEAR POWER PLANTS

Base load 24/7/365 dependable power generation using standard commercial labor and parts.  
Less than 10% land area required. Any location/geography works.

Inconspicuous facade makes exterior look like any other tall building.

**“Base load – 90% Capacity Factor”**

*Able to operate more than 7,000 (of the 8,760) hours per year*



We offer affordable energy.  
We focus on large energy consumers.

1. *No interconnection* (NEEDED FOR CASH FLOW TO BEGIN)
2. *No sales tax* (WHEN PARTNERS USE ELECTRICITY)
3. *No transmission line charges*
4. *Fast start; Site Analysis to Operation: 12-18 months*  
(As opposed to 3 years to 10 years for other renewable energy projects)
5. *High ROI for equity* (excess of 15% annual IRR)



# Team USA & Africa

- Kurt Grossman, CEO
- Ramy Kamel, PhD
- Africa Team

*Ramy is a PhD Mechanical Engineer with excellent skills in Finite Element Analysis, Computer Aided Drafting, Modeling, and Simulation. Our fabrication office is 10 minutes from George Bush International Airport, Houston, TX*

*The Africa Team is comprised of Engineers and Developers with a solid history of power plant development and construction. The Africa Team Members each have over 20-years of successful experience and excellent reputations in many different nations.*

# G-SHIP LLC

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