



Proposal to Provide Energy Consulting Services to the Readington Board of Education

September 17, 2015

Introduction

Gabel Associates (Gabel) is pleased to provide this proposal to the Readington Board of Education (the Board) to provide energy consulting services related to its prospective solar project. Gabel has unmatched experience developing renewable energy projects in New Jersey, especially school projects where public procurement processes are required. Based on an initial review of your facilities, we believe there is a viable project within your district, and that the Board would be successful in attracting strong proposals that will save the district money on their electricity expenses, while realizing the many other benefits associated with the use of renewable energy.

As outlined in more detail in the proposal below, Gabel Associates will provide the start-to-finish services needed to fully realize a solar installation at several of your facilities, including: completion of a feasibility study, development of the needed request for proposal (RFP), management of the RFP process to get competitive bids, evaluation of the bids, support for the district during contract negotiations, and overseeing the construction process. This support will be done in collaboration with the Board, other retained professionals (at the Board's discretion), and staff, with the goal of minimizing administrative impacts on district personnel.

Since the Readington district is already part of the Alliance for Competitive Energy Services (ACES) program, these consulting services can be procured easily and typically without budgeted expense through the ACESplus program. ACESplus is sponsored by the New Jersey School Boards Association (NJSBA) as the lead agency and the New Jersey Association of School Administrators (NJASA). Our consulting services are provided through a long standing cooperative purchasing program created by those organizations, as approved by the New Jersey Department of Community Affairs (DCA), and is overseen by the sponsoring organizations. Engaging the services proposed below requires only the passing of a standardized ACESplus resolution, as part of the overall ACES program with which the district is already a member. All expenses for the consulting services provided are included as part of the final project, and typically will not require any "out-of-pocket" expenses for the district.

Overview of Gabel Associates

Gabel Associates, Inc. is an energy, environmental and public utility consulting firm with its principal office located in Highland Park, New Jersey. For over 20 years, Gabel Associates

has provided quality energy consulting services and strategic insight to its clients. Our client list includes public and federal agencies, individual commercial and industrial end users, aggregated groups of customers, public utility commissions, power plant owners and operators, wholesale suppliers, and utilities. We have extensive expertise managing clean energy projects for public entities such as municipalities, counties, and schools, where the rare combination of energy subject matter depth and public procurement expertise is particularly important.

The firm has a broad portfolio of engagements that span strategic analysis, economic evaluation, project development, policy initiatives, energy procurement, and client decision making support. Given this range of involvement, Gabel Associates can bring practical expertise to each engagement, as informed by deep experience in a wide range of energy industry disciplines. The firm has particular expertise in development of renewable energy projects, and has supported over 200 projects through all phases of project planning, formation, and implementation. Our consultants frequently partner with other professionals and client staff, providing energy expertise as part of a multi-disciplinary and collaborative team.

Given this breadth of clients, and working knowledge from across all sectors of the energy market, Gabel Associates is able to bring unique multi-dimensional expertise to every engagement. For example, we are able to perform a more detailed analysis of the district's current electricity bills given that we are also working in the wholesale and retail markets to provide forecasts and policy analysis. Given that breadth, the firm will bring hands-on expertise and experience in several key areas as follows:

- Demonstrated success in all stages of renewable energy project development, including feasibility studies and assessments; comprehensive economic, technical, and financial analysis; interconnection activities; preparation of RFPs and proposal/bidder evaluation; contract drafting and negotiation; renewable attribute sales; and construction administration and project management;
- Extensive experience working successfully with dozens of school districts throughout New Jersey, as well as leading involvement in the development of New Jersey's most significant solar projects such as the Franklin Board of Education battery storage project, the New Jersey Meadowlands Commission landfill project, the Atlantic City Convention Center, the Princeton Solar Landfill Project, Rutgers University, and many other renewable projects; the firm has particular expertise in developing energy projects for public entities, through competitive contracting processes;
- Highly knowledgeable about the Sustainable Jersey for Schools program, including detailed working knowledge of solar energy actions for which this project will be applicable. This includes the expertise of Mark Warner (Vice President of the firm) who previously served as the Director of Energy at Sustainable Jersey where he led the development of the Sustainable Jersey for Schools energy actions;

- Active contributor/stakeholder in the formation of renewable energy regulations and legislation in the region, especially New Jersey. Specifically, the firm has helped shape New Jersey's Renewable Portfolio Standards (RPS), one of the most progressive renewable policies in the country since its inception in 1999. The firm is also a dynamic participant on the Renewable Energy Committee, as well as several related committees that help determine the policy direction of the renewable energy market;
- Deep expertise in utility tariffs and an advanced understanding of all components that collectively make up electricity rates. This allows the firm to clearly analyze and forecast the cost of utility service against the proposed price associated with solar power generation, and;
- Expert understanding and continued presence at PJM, the operator of the region's wholesale electricity marketplace, which gives the firm a unique ability to anticipate energy market trends and foresee major developments that may impact our clients.

It is also important to note that Gabel has served as the Consultant/Program Administrator for the ACES program for over 15 years. ACES represents a significant energy purchasing consortium comprised of over 430 New Jersey school districts, including the Board. Gabel is also the exclusive provider of consulting services, as outlined in this proposal, for the ACESplus program.

Please see Attachment A for a more detailed profile of Gabel Associates' capabilities and qualifications. For a full description of our services, please see our website at www.gabelassociates.com.

The Solar Project

Gabel Associates has completed a preliminary review of district facilities, and identified several possible locations for solar PV installations. These solar installations will interconnect with the school's utility supply, and provide part of the energy needed by the building. All energy generated by the solar system will offset the purchase of energy from the utility. As a result, each building served by solar will get part of their electricity from the solar system, with the balance provided by the utility as usual. There are now nearly 40,000 solar installations in NJ, all working in exactly this fashion. The group of projects initially identified (to be confirmed through a more detailed evaluation as part of the project) are considered large enough to attract a competitive response to the anticipated RFP.

The Board will not need to invest any of its own capital in this project, since under the model proposed below, the system will be owned by a third party investor. The district will agree to buy all the solar electricity generated by the system, and pay the third party investor at a solar rate that is less than current utility rates. This arrangement is known as a "Power Purchase Agreement" ("PPA"), and has become the standard method for developing solar projects for a wide variety of customers, but especially public entities like the school district of Readington. The purpose of the RFP process described below is to select, through

a competitive process, a project developer that will finance, own, design, install, commission, operate, and maintain the solar facility at the site. A primary benefit of this PPA approach is that the school takes little risk, system generation and economic benefits are guaranteed, and all operations and maintenance for the system is provided by the project developer. In short, this approach means no out-of-pocket expense for the district for construction of the system, minimal project risk, and little long term operational concern. At the end of the PPA term (typically 15 years), the district can take ownership (among other options) for a facility that will continue to generate clean electricity at virtually no cost for years to come.

Proposal

This proposal provides the following information for your consideration:

- 1) Scope of Services
- 2) Fee Proposal

1) Scope of Services

Based on our meeting on August 27, 2015, we understand that the Board is interested in pursuing solar projects at a number of schools in the district. This is a strong approach, since aggregating several schools into a single larger project helps attract more competitive offers. Although a more detailed evaluation of the potential sites will be required, preliminary assessment indicates that installations at several of the schools (primarily Holland Brook School, Readington Middle School, and perhaps others) are viable.

Gabel proposes the use of a “competitive contracting” approach provided for in New Jersey law and DCA guidelines, which we believe yields the greatest benefit to the district. Rather than providing detailed “design-build” specifications to a vendor for a proposed solar project, we provide “performance specs” to potential proposers. This approach is a competitive process that allows solar vendors to use their expertise and creativity to design a project and propose a system design and a PPA for the project and thereby provides a range of competitive options for the Board to consider.

It is also important to keep in mind that the implementation of this project is somewhat time sensitive since the Investment Tax Credit (ITC) is set to expire at the end of 2016. The ITC provides a 30% tax credit for solar systems and is a major contributing factor to the viability of solar projects. PPA rates are currently the best they will be for the next several years (if the federal tax credit is not extended by congress), and the district will need to move quickly to take advantage of this rare window of opportunity.

Specifically, Gabel proposes the following scope of work to secure a solar PPA for the district:

Task 1 - RFP Process: The request for proposal (RFP) process will conform to the requirements of the State of New Jersey public procurement laws and DCA guidelines (including full notice and transparent evaluation of proposals). At the same time, Gabel will assure that the process is completed in collaboration with staff and other appropriate professionals, and is consistent with the Board's procurement requirements. This will include the following:

- Complete a more detailed feasibility study, including a review of site issues to identify the acceptable and technically appropriate areas of the solar facilities; At the conclusion of this process, a determination will be made about the viability of attracting competitive bids, and the approach to be taken in the design of the RFP;
- Draft an RFP that will serve as a "performance spec" and identifies the technical, financial, performance, and contractual issues that developers must adhere to in their proposals;
- Distribute the RFP to a wide range of active market participants and promote the participation of qualified bidders.
- Hold a pre-bid meeting for interested solar developers where we can answer questions and coordinate site visits by interested vendors;
- Help the district form an Evaluation Committee, which will include Gabel, other professionals as appropriate, relevant staff, and other members as determined by the Board;
- Support the Evaluation Team to assess the proposals from a technical, economic, and financial perspective. This evaluation will include both price and non-price factors to assure that the Board executes a PPA with a developer that is financially and technically capable, as well as provides economic value. Gabel will prepare an evaluation matrix, including weighting factors, to serve as a basis for the decision of the Board to designate a contract award. Based upon this comprehensive evaluation, and as required by DCA guidelines, Gabel would prepare a draft recommendation report, discuss the report with the Board staff, finalize the report, and help the Board award a contract to the selected vendor;
- Review the contracting documents (especially the PPA) and provide comments to assure that the interests of the Board are advanced and protected;
- Help finalize the contract award with the chosen vendor;
- Throughout the process, we will meet with staff and the Board as needed, provide ongoing project updates, and make presentations at formal Board meetings when appropriate, and;

- Assist the district, if desired, with documentation of the Solar Action in the Sustainable Jersey for Schools program.

This Task will be considered complete when a PPA (or similar) contract is executed, or until the Board decides to discontinue the project, as appropriate.

Task 2 - Construction Administration (CA) Services: Once the evaluation is complete and the PPA is executed, Gabel can provide construction administration (CA) services during project implementation. The firm acts as a knowledgeable customer representative throughout the detailed design, approval, construction, and commissioning process. Our CA staff specializes in solar construction and electrical contracting, and would act as a liaison between the solar developer and the Board during all phases of implementation. Key work functions include:

- Organization of kick-off and pre-construction meetings with all relevant parties;
- Ongoing status review meetings with relevant contractors and project participants;
- On-site inspections of work throughout construction and written progress reports (as frequently as project activity dictates, but typically bi-weekly during the physical construction phase); documentation of the construction process to provide a formal record for the Board;
- Issue identification and facilitation of resolution, and;
- Working with the vendor for final testing and acceptance approval, Board support during system commissioning, and identification and completion of a final project punch-list.

This Task will be considered complete when the system is energized for commercial operation and any related commissioning activities (including a punch list, as considered feasible) have been completed.

2) Fee Proposal

Gabel proposes to charge the following fees to support the implementation of a solar project at the Board as described above:

Task #	Activity	Proposed Fees
1.	RFP Process	\$ 43,750
2.	Construction Administration	\$ 42,500

All Gabel's fees will be identified in the RFP as project development costs (for both Task 1 and Task 2), and as such, will be paid by the awarded bidder and incorporated into the PPA and will not be incurred on an "out-of-pocket" basis by the Board. Payment will be

made by the awarded bidder to the district, who will then make payment to Gabel. Task 1 payment is due when the PPA (or similar documents) are executed, and Task 2 payment is due when the solar system receives permission to operate.

As described above, the Board has the ability to contract with Gabel through the ACESplus platform for this project. These services can be procured by simply a) accepting this proposal, representing that the statement of work for the project is acceptable, and b) passing a standard ACESplus resolution.

Contingent Payment of Task I Fees:

By agreeing to proceed with this project scope, Gabel is acting on its belief that a PPA proposal for the agreed-upon project configuration can be obtained from one or more vendors that will result in a price for electricity (inclusive of consulting fees costs) lower than the anticipated cost of delivered power under the utility tariff. Gabel will provide Task 1 services at its own expense and without billing to the board. As noted above, if the project moves forward, these project development expenses are incorporated as part of the overall project, with no direct cost to the Board. Scenarios under which work is performed but the project does not move forward will be managed under the following arrangement:

- Billable hours will be tracked on a monthly basis at standard billing rates (as summarized in Attachment B), up to (but never in excess of) the Task 1 fees set forth above.
- If the Board decides to terminate the project for any reason prior to the acceptance of proposals, payment to Gabel will be due for actual billable hours expended through project termination, not to exceed the Task 1 fee set forth above.
- If a PPA proposal is received from a qualified vendor that results in savings for the Board as compared to the anticipated cost of utility-provided power, but the Board decides *not* to enter an agreement for any reason, the Board would be responsible for payment for all actual billable hours on Task 1, net of a 15% discount applied to the total amount billed.
- If the RFP process does not result in a PPA proposal that is less than the price of utility-delivered power, the Board is not obligated for any payments to Gabel. All work done for the RFP in that case is Gabel's risk and results in no obligation by the board.

If the Board is interested in expanding the scope of services or adding any additional services outside the scope listed above, we have attached our discounted billing rates for consulting services. Gabel will not perform any additional work without the prior written consent of the Board or an authorized representative of the Board.

General Terms and Conditions

Liability

Gabel Associates is acting in a consulting capacity and any opinions, advice, analysis, or activities presented, or undertaken, by Gabel Associates are based on its professional judgment and do not constitute a guarantee. In no event shall damages to the Board exceed the amount of fees paid. In no event shall the Board or Gabel Associates be responsible for any special, indirect or consequential damages arising under or in connection with the services provided pursuant to this proposal.

Confidentiality

In the course of its performance under this Agreement, each party may acquire certain confidential information from the other in regard to the nature of the services performed. All such confidential information shall not be disclosed or revealed by Gabel Associates, or the Board as applicable, to any other person or entity, nor shall any such information be utilized in any way in the performance of any work for any other person or entity, without prior written approval from the other Party or by order of a government agency with jurisdiction.

We appreciate the opportunity to provide this proposal to the Board. Please feel free to call me at (732) 296-0770 with any questions regarding this proposal.

Sincerely,

Mark

Mark Warner
Vice President

If this proposal is acceptable, and the Board decides to utilize ACESplus, the Board would need to pass a resolution to participate in the ACESplus program with New Jersey School Boards Association as the lead agency.

Countersign by official with authority to bind the Readington Board of Education:

Signature

Date

Name

Title

Attachment A: Gabel Associates Overview

Gabel Associates, Inc. is an energy, environmental and public utility consulting firm with its principal office located in Highland Park, New Jersey. For over 20 years, Gabel Associates has provided quality energy consulting services and strategic insight to its clients. Our client list includes public and federal agencies, individual commercial and industrial end users, aggregated groups of customers and public utility commissions, power plant owners and operators, wholesale suppliers, and utilities.

Steven Gabel, the President of Gabel Associates, started the firm in 1993 with the goal of providing a wide range of economic, technical, regulatory and marketplace advice and analysis in the energy and environmental industries. He previously served as Electric Division Director at the New Jersey Board of Public Utilities (NJBPU) and as the Director of the Division of Solid Waste Management at the New Jersey Department of Environmental Protection and NJBPU. In March 2015, Mr. Gabel was named as one of the top influencers of energy policy in New Jersey by NJ Spotlight.

Gabel Associates combines technical skills with in-depth, specialized financial and regulatory knowledge to create and implement financially and economically sound energy plans.

A multitude of clients, including hundreds of regional, county, and local governments, rely on our firm to take on a project facilitator role to ensure that projects and studies happen successfully and efficiently. Throughout the process, the firm serves as a trusted advisor to ensure the best interests of our clients are fully analyzed and protected.

Gabel Associates has specialized capabilities to effectively address the unique requirements of this project. Specifically, the firm possesses extensive expertise in the following areas:

- comprehensive feasibility assessment and implementation of renewable and energy efficiency projects;
- development of sound procurement documents and a rigorous review of proposals;
- detailed economic and financial analysis and forecasting of energy and environmental markets to support the identification of cost-effective projects;
- development of ownership and project structures and associated contract negotiation;
- project management and construction administration services for renewable and energy efficiency projects;
- tariff analysis and utility bill review;
- energy, renewable energy certificate (REC) and carbon market activity and analysis;
- regulatory and policy matters;
- administration and management of energy procurement programs;
- identification of financial incentives and support at the state, federal, and utility level;
- interconnection, operations and market rules of regional transmission organizations; and,
- PJM demand response and energy issues.

Renewable Energy Project Development

The firm has on-the-ground experience with all aspects of project development for a wide-range of projects including renewable (solar, wind, landfill gas-to-energy, waste-to-energy, biomass and geothermal), energy efficiency, cogeneration, and traditional energy sources such as natural gas and coal. Our services include feasibility studies, comprehensive economic and financial analysis, contract drafting and negotiation, and construction administration. Our “real world” expertise and long-standing experience with the development of various types of projects and technologies strengthens our ability to provide strategic advice and forecasts. These insights prove to be a valuable asset when clients are looking to structure energy projects that are creative and primed for success.

Gabel Associates has been involved in the development activities of over 200 renewable projects including assisting in the development of some of the region’s most significant solar projects such as the Atlantic City Convention Center, the New Jersey Meadowlands Commission Landfill Project, Rutgers University, Ocean City, as well as a host of landfill gas, resource recovery, wind and biomass projects. The firm supported the development of landfill gas-to-energy projects throughout New Jersey including Burlington, Salem, Cape May, Atlantic, Ocean, and Middlesex Counties and also provides expert consulting services for many waste-to-energy projects. We have also supported various wind projects including a proposed 24 MW offshore wind project to be located off the coast of Atlantic City and wind feasibility studies for the Atlantic City Convention Center and the Bayshore Regional Sewerage Authority.

In addition, the firm has completed over 50 renewable and cogeneration feasibility studies for the Department of Veterans Affairs and also supported large scale renewable project development for the Department of Defense.

Gabel Associates has been deeply involved in all stages of renewable project development. We provide support to clients for project development activities, including feasibility assessments; comprehensive evaluation of financial, economic, marketplace, environmental and regulatory issues; evaluation of viable financing approaches; administration of the procurement process including request for proposal (RFP) drafting and proposal review; contract negotiations; project management and construction administration; and renewable attribute sales.

The firm conducts feasibility evaluations of potential sites, including a size and cost estimate for the renewable energy system, identification of general site issues, costs, benefits, and the internal rate of return associates with the project. We evaluate the appropriate financing and contractual structure for each project, including self-ownership, Purchase Power Agreement (PPA) model, lease structure, or a hybrid approach. The firm possesses unique market insight and is able to properly evaluate the cost, benefits, and risks of various project configurations. In addition, we provide oversight of project installation, support for the sale of RECs and other environmental products, and assistance in securing utility, state and federal financial support.

In addition, we are highly experienced at ensuring that sufficient financial protections are incorporated into the selected project structure and energy agreements to shield our clients from unreasonable risk.

We evaluate the technical, economic, and financial viability of different renewable projects while also taking into consideration the goals and risk tolerance of each client. We conduct comprehensive economic, financial, and sensitivity analysis surrounding all renewable options to determine the internal rate of return and payback of each project. We also identify any potential technical issues or obstacles related to development.

Gabel Associates has an extensive history of successfully facilitating renewable projects when they move into the execution phase, including RFP drafting, vendor proposal evaluation, and contract negotiation. When drafting RFPs, we ensure that RFP language is well-defined; clearly incorporates the expectations of the client; and reflects the requirements of the commercial marketplace. This approach helps to maximize participation and encourages developers to present proposals that are competitive and tailored to project goals. Additionally, when reviewing RFP responses, Gabel Associates utilizes its past experience to prepare ranking criteria that promotes successful projects. This includes a rigorous review of proposals from an economic and technical perspective.

Gabel Associates has assisted over 100 customers enter into PPAs and/or leases for renewable energy projects for various technologies including solar, wind, landfill gas-to-energy, waste-to-energy, and hydro. The firm has a clear understanding of the provisions that can adversely impact our clients, which gives us the ability to advocate for contract language that provides multi-layered protection. Due to our strong experience with PPA structures, we are highly qualified to assist clients with administration matters in connection with these agreements.

Tariff Analysis

Due to the firm's extensive background in the regulatory arena, Gabel Associates has long standing expertise in utility tariffs, giving us the ability to analyze utility tariffs for our clients. Since the firm has in-depth understanding of tariff fundamentals, we are able to provide our clients with forecasts of retail electricity and natural gas pricing and recognize tariff savings opportunities.

In addition, Gabel Associates' principals have testified extensively as experts in utility rate cases, tariff design and rate regulation issues. This gives the firm unique expertise in analyzing and developing utility tariffs, which is vital to understanding the true 'price-to-compare' for default service paid by retail customers and appropriately benchmarking this price-to-compare against prevailing market conditions to determine the viability of a solar project.

Policy Analysis and Development

Gabel Associates supports policy development, and related analysis, on both the national and state levels. The firm has been an important contributor in policy discussions related to renewable energy, industry restructuring, energy efficiency and environmental issues.

The firm has helped shape New Jersey's Renewable Portfolio Standard (RPS), one of the most progressive renewable policies in the country, since its inception in 1999. The firm has conducted in-depth analysis of RPS implications for solar, wind, biomass and other technologies. In addition to serving on the Governor's Renewable Energy Task Force, which is the basis for New Jersey's RPS, Steven Gabel continues to serve on the Renewable Energy Committee, as well as several related committees that help determine the policy direction of the renewable energy market.

Gabel Associates has been instrumental in developing legislation surrounding renewable project development and renewable market regulation. The firm was directly involved in the development and negotiations surrounding the Solar Energy Advancement and Fair Competition Act, signed into law in New Jersey in January 2010. This law placed the solar RPS obligations into law and substantially increased solar requirements. The firm provided analytical support for the bill including comprehensive analysis surrounding ratepayer and economic impacts.

The firm was also an active participant in solar legislation in New Jersey that was signed into law in July 2012 (S-1925). This law accelerated the RPS solar requirements in an effort to absorb the significant oversupply of SRECs and help stabilize the market while reducing ratepayer cost exposure. Gabel Associates provided on-going analytical support throughout legislation development and also performed detailed ratepayer impact analysis which modeled cost implications.

The firm was also influential in the development of New Jersey energy deregulation law (EDECA); its restructuring of energy taxes; and its development of energy aggregation policies. The firm has also been directly involved in the development of "utility default service" policy in Pennsylvania, New Jersey, and Illinois.

In addition, the firm played an active role in the development of the New Jersey Offshore Wind Economic Development Act that was signed into New Jersey law in August 2010 to promote the development of offshore wind projects.

Finally, Gabel Associates was a participant in the development of the PJM RTO in the 1990s and its participation in PJM policy and tariffs continues.

Construction Administration Services

Gabel Associates' expertise in construction administration (CA) services qualifies our firm to fully engage in energy projects in an efficient and comprehensive manner. After a project is developed and financed, we can oversee the installation of the project to assure its timely success. We have extensive understanding of, and experience with, on-site energy projects and their complexities.

Through Gabel Associates' CA services, the firm acts as the project owner's representative and oversees project installation from pre-construction planning and equipment staging to commercial operation. Our CA services include on-site supervision, oversight of the installer's construction activities to meet project schedules, and review of project close-out activities and commencement of commercial operation.

Our firm is dedicated to ensuring that the progression of project development is smooth and unproblematic, while also allowing for minimal disruptions to host activities. Our support and oversight gives our clients confidence, protection, and security during project construction.

PJM Expertise/Wholesale Market Insight

Gabel Associates has extensive expertise in the operations, procedures, and rules of utilities and regional transmission organization (RTOs) which operate transmission systems and wholesale energy markets in different regions of the United States and serve as the foundation of competitive wholesale electricity markets. Since we understand the fundamentals and intricacies of these systems and power markets, we are able to advise clients on the most effective way to address both wholesale and retail power market issues.

Using this knowledge, Gabel Associates is able to translate the technical complexities of generation and transmission operations into the business plans of our clients. This enables clients to develop strategic plans that effectively address the operational and technical characteristics and constraints of the applicable RTO. The firm is knowledgeable on various transmission operators and RTOs such as PJM, Electric Reliability Council of Texas (ERCOT), New York (NYISO), Midcontinent Independent System Operator (MISO), and New England (ISO-NE).

Gabel Associates also maintains specialized knowledge on PJM Interconnection (PJM), the transmission operator that ensures the reliability of the largest centrally dispatched grid in North America (including New Jersey). Gabel Associates was a participant in the development of the PJM in the 1990s and its participation in RTO policy and tariffs continues. The firm is active in a number of PJM committees and working groups including those addressing energy markets, capacity markets, renewable markets and transmission interconnection issues. The firm is actively engaged in discussions where emerging issues, business, and market rules are debated and decided. As a result, Gabel Associates maintains up-to-date detailed expertise on PJM operations and wholesale energy markets, which provide the basis for electricity costs and reliability.

Gabel Associates has extensive knowledge on RTOs and has in-depth understanding of the rules and practices surrounding wholesale power markets. The firm is well positioned to provide expert and timely advice with respect to developments and trends in regional energy market conditions.

For a full description of our wide range of services, please see our website at www.gabelassociates.com.



Attachment B: Gabel Associates

Fee Schedule

Consulting Fee Schedule

Principal Level	\$265 per hour
Steven Gabel	
Robert Chilton	
Executive Level	\$225 per hour
Senior Associate Level	\$200 per hour
Associate level	\$140 per hour

These Consulting rates represent an average discount of over 25% from our standard commercial rates.

Technical Fee Schedule

Project Director	\$175 per hour
Senior Energy Engineer	\$150 per hour
Project Manager	\$150 per hour
Technical Support Staff	\$100 per hour

Time charges: all time is billed on an hourly basis at the rates set forth above. All time is rounded to the nearest quarter hour. Bills are due on receipt.

Expenses: all direct expenses incurred are billed at cost. Direct expenses include travel, overnight expenses, Federal Express, telephone, and bulk copying as well as other expenses approved in advance by the client.