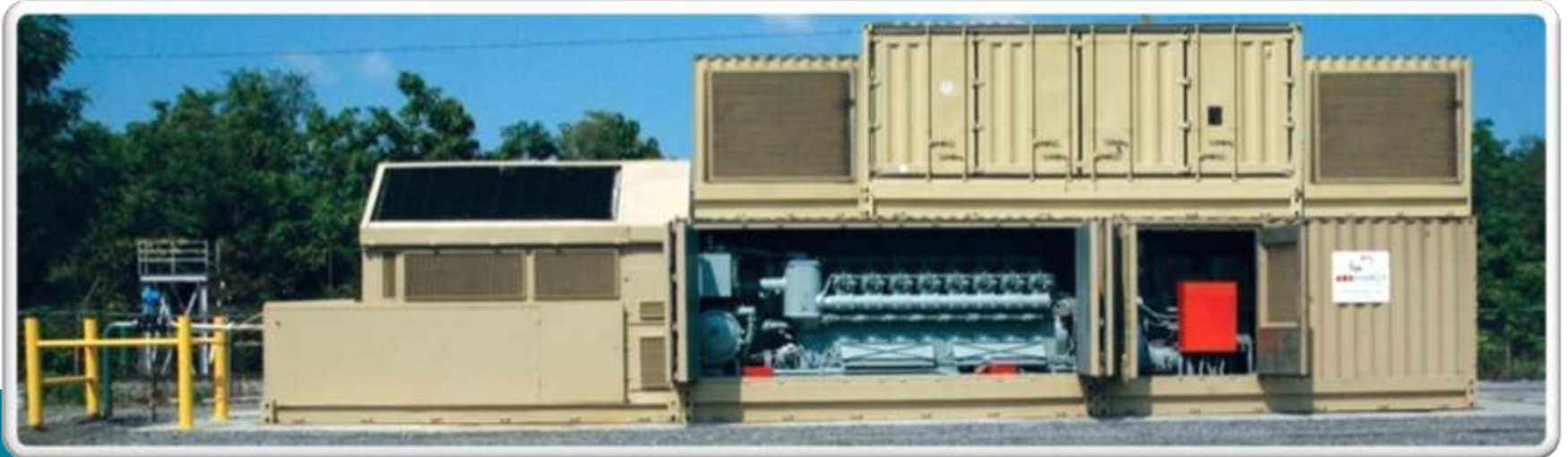




ARE ENERGY

A LEGACY OF POWER





ARE ENERGY
A LEGACY OF POWER



Resorts

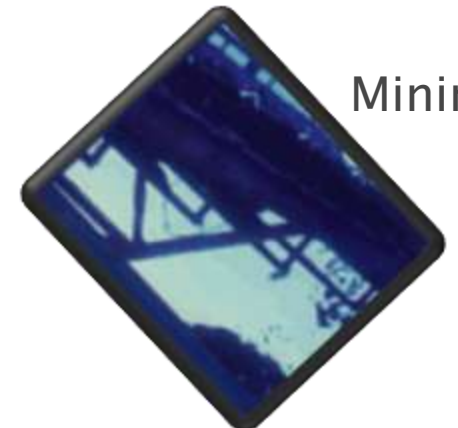


Utilities
Support

Dependable
“On-Site” Peaking
and
Continuous
Electrical Power



Poultry/
Meat



Mining

On-Site Dependable Electric Power

- ▶ About Us
- ▶ Our Gen Set and Supply Partners Today
- ▶ **Green Options**
- ▶ Current and Potential Applications
- ▶ **Service Maintenance Agreements & Warranties**
- ▶ Shipping and Installation
- ▶ **Financial /Lease Alternatives**
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About Us



Cycle Systems LLC



American Railroad, LLC



ARE-Energy

- ▶ ARE-Energy, a Division of ARE- American Railroad Equipment LLC, with its sister company Cycle Systems LLC, together have a family business history since 1916: Over 90 Years.

About Us



- ▶ Since 1988 over 600 GE and EMD Locomotives have been dismantled with parts qualified and sold to a variety of domestic and International markets.

About Us



- ▶ ARE 100,000 Sq. Ft. Plant with over 600 ft. of track is used to dismantle the Locomotives, store parts, and pre-assemble the Power Plants.

About Us

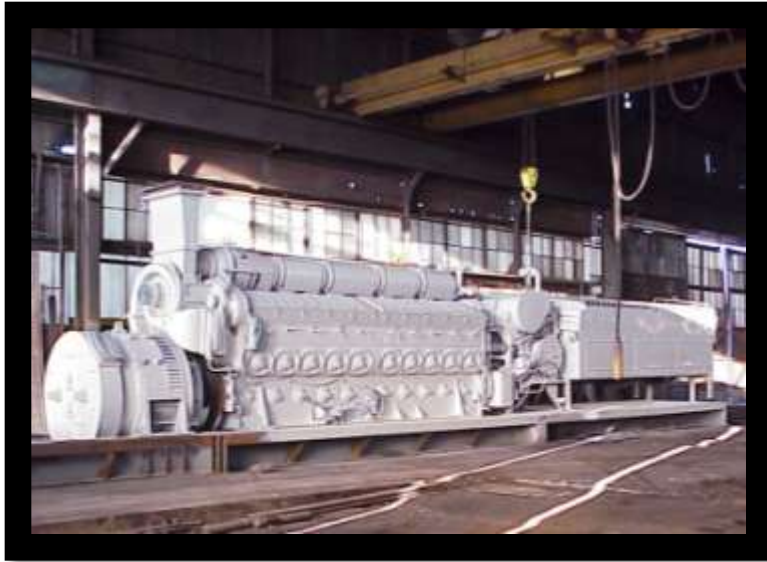


- ▶ After 3 years of Research and Development the Beta Power Plant, with its Patent Pending Housing Container Tri-Set, was introduced to the public in August, 2005.



Our Gen Set and Supply Partners

The Engine



- ▶ Our robust dependable medium speeds 3500–4000 H.P. Engines have a proven history of reliable Performance.

Our Gen Set and Supply Partners

The Engine



- ▶ The engines are either overhauled or re-manufactured to current specifications by the TMS Division of the Norfolk Southern Railroad.

Our Gen Set and Supply Partners

Generators



- ▶ 60 Hertz Generators – 2.5 MW 480 volt currently ARE–Energy has 12 dependable railroad generators that can be re-manufactured and reconfigured to 8 pole hertz units
- ▶ 50 Hertz Units – 2.8 MW 11,000 volt – ARE–Energy has in stock 5 new GE 6 pole 2.8 MW 11,000 units

Our Gen Set and Supply Partners

Electrical Controls and Switchgears



- ▶ Whether as a single stand alone Gen-Set or multi units running in parallel and synchronized to the grid reliable Customized Electrical Controls and Switchgear are required.

Our Gen Set and Supply Partners

Electrical Controls and Switchgears



- ▶ Our supply partner, Enercon Engineering, has designed and supplied a variety of electrical controls and switchgear for CAT, GE, Cummings and others.

Our Gen Set and Supply Partners

Packaging and Assembling



- ▶ The Units are first assembled on Heavy Duty 18" Beam skid frames at our plant in Roanoke.

Our Gen Set and Supply Partners

Packaging and Assembling



- ▶ The final assembly and testing will be done at Enercon's Barnesville GA Plant: A one-hour drive from the Atlanta Hartsville Airport.

Green Options

Alternative Fuel



- ▶ After 2,000 hours of incremental bio-diesel increases, ARE-Energy has air permits following EPA guidelines for B-99
- ▶ Bio-diesel manufactured from 100% poultry waste feedstock
- ▶ Engine has been reconfigured to meet tier 0 large engine parameters
- ▶ Series 1000 GE units can also be configured for 50% natural gas

Green Options

(CHP) Combined Heat and Power

- Second, its ability to operate in the continuous mode as a CHP Unit utilizing the exhaust heat of the engine. , Combined Heat and Power equipment creates a fuel efficiency of over 70%. In applications as resorts, poultry/meat processing, and water treatment plants this benefit enhances the financial feasibility.

Green Options

(CHP) Combined Heat and Power



- ▶ The CHP Equipment is manufactured by Cain Industries

Current and Potential Installation

Cycle Systems Shredding Installation---Lynchburg, Virginia



- ▶ **Power Plant 98% plus dependable during schedule operating hours**
- ▶ **Successfully operating on B-99 – Poultry 100 Feedstock**

Current and Potential Installation

David Motors, Biloxi, Mississippi



- ▶ Avoided two year delay from Katrina Rebuilding for Utility Power
- ▶ Now operating successfully for two shifts

Current and Potential Installation

Poultry/Meats



- ▶ Ideal CHP–Combined Heat and Power application
- ▶ Dependable Electric Power for Refrigeration
- ▶ Low cost hot water for scolding and clean-up
- ▶ 70% fuel efficient
- ▶ Easily synchronized with local grid to control cost
- ▶ Lots of potential Green Dollar credits

Current and Potential Installation

Mining



- ▶ Dependable power synchronized to run parallel or separate from grid
- ▶ Reduce surges and on-going high demand....

Current and Potential Installation Resorts



- ▶ Ideal CHP–Combined Heat and Power application
- ▶ Dependable on–site electric power during peaking utility hours
- ▶ Low cost hot water for laundry, food service and rooms
- ▶ Fuel efficiency of 70% plus
- ▶ Series 1000 GE Units can also operate on 50% Natural Gas

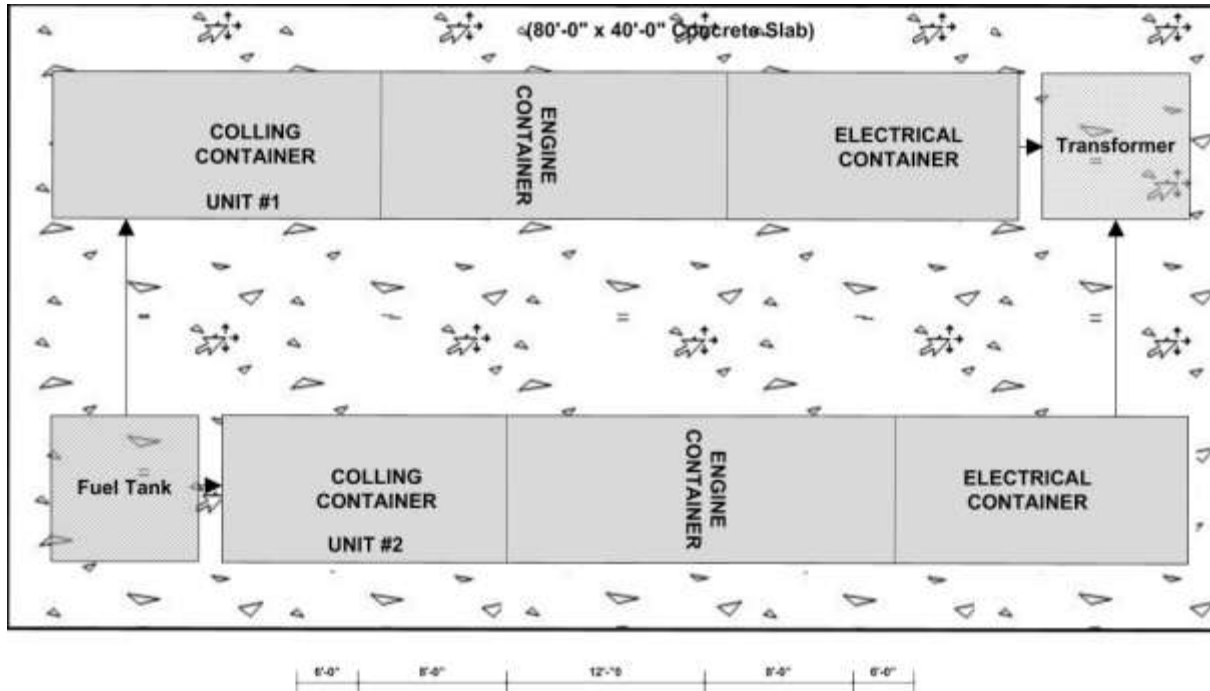
Current and Potential Installation

Utility Support



- ▶ Dependable power synchronizes to run parallel with grid
- ▶ Low cost hot water for laundry, food service and rooms
- ▶ Fuel efficiency of 70% plus
- ▶ Series 1000 GE Units can also operate on 50% Natural Gas

Current and Potential Installation Utility Support



ARE-Energy can assemble, package, and configure 2-5 dependable 2.8 MW 50 Hertz Units that can address this problem - and be operating on your site in 6-8 months. These Units can be configured with either new or re-manufactured GE Engines.

Service Maintenance Agreements and Warranty



- ▶ The parts for new or re-manufactured components will have a one year warranty. This warranty covers defective parts only, not also labor and installation.
- ▶ We maintain a large inventory of replacement parts to support this warranty.

Service Maintenance Agreements and Warranty

- ▶ Today there is a worldwide network of Service Contractors and Shops familiar with both the “On-Site” maintenance schedules, including servicing both GE and EMD engines.

Service Maintenance Agreements and Warranty

- ▶ ARE–Energy Policy both, domestically and International, is to build into the sales or lease agreement, a one–year Service Maintenance Agreement with a close–by provider.

Installation



- ▶ ARE–Energy plants, with the patent pending containerized packaging, is designed for both easy shipment and installation.
- ▶ The installation calls for a concrete slab designed for local soil conditions.

Financial/Lease Alternatives

- ▶ Numerous financial institutions are familiar with the quality and dependability of GE and EMD equipment.
- ▶ Financial/Lease Alternatives are available to qualified buyers through CIT Financing in the United States and internationally through EX-IM Bank.

Specifications

General		Series 1000	Series 1000	Series 2000
Model		Series 1000	Series 1000	Series 2000
Power Continuous		G60 Hz	G50 Hz	E60 Hz
Engine		GE 7FDL	GE 7FDL	EMD-20 645-E
Cylinders		16	16	20
Stroke Cycle		4	4	2
Cylinder Arrangement		45° V	45° V	45° V
Bore		228.6 mm (9 in.)	228.6 mm (9 in.)	230.19 mm (9 1/6 in.)
Stroke		228.7 mm (9 in.)	228.7 mm (9 in.)	254 mm (10 in.)
RPM		900	1,000	900
Continuous		3,052 kw (4,100 bhp)	3,052 kw (4,100 bhp)	2,865 kw
Maximum		3,357 kw (4,500 bhp)	3,357 kw (4,500 bhp)	----
Manufacturer		Kato	GE	Kato
KW		2,800	2,800	2,800
KVA		3,500	n/a	3,500
Number of Poles		8	6	8
RPM		900	1,000	900
Voltage		4,160	11,000	4,160
Packaging System				
Skid Mounted	Wt (lb)	36,000	53,000	28,000
	Dim (LWH)	20'x 8'x 9'	20'x 8'x 9'	20'x 8'x 9'
Containerized	Wt (lb)	46,000	63,000	38,000
	Dim (LWH)	20'x 8'x 9.5'	20'x 8'x 9.5'	20'x 8'x 9.5'
Electrical Controls and Switchgear				
Manufacturer		Enercon Engineering	Enercon Engineering	Enercon Engineering
Controls		Paralleling equipment	Paralleling equipment	Paralleling equipment
Monitoring		PLC with digital readout	PLC with digital readout	PLC with digital readout
Protective Devices		Current/Voltage/Frequency	Current/Voltage/Frequency	Current/Voltage/Frequency
Switchgear		Metal-clad medium voltage	Metal-clad medium voltage	Metal-clad medium voltage

Current and Potential Installation

Poultry/Meats



ARE–Energy has an air permit following both VADEQ and EPA Guidelines to operate on B–100 Bio–diesel. While NOX emissions is slightly higher than NO.2 particles emissions with black smoke are eliminated.

Summaries and Budget Price Questionnaire

Feasibility Questions

- ▶ Financial
- ▶ Air Emissions
- ▶ Utility Availability

Today, in many commercial, industrial, and utility applications dependable continuous “On-Site” Power is a viable alternative. Key to this viability is first addressing the questions of financial feasibility, Air Emission Parameters, and Utility Availability.

Summaries and Budget Price Questionnaire

Customized Applications

- ▶ Each continuous application is unique. We look forward to evaluating our potential application with you. Please complete the preliminary questionnaire at the end of this presentation and return to us.

Summaries and Budget Price Questionnaire

In order to develop a preliminary budget price and financial feasibility of "On-Site" Power for your location and application please provide us with the following information.

- Megawatt Power Requirements

Type Hertz _____ 50 Hertz _____ 60 Hertz

Type Power _____ Emergency
_____ Peaking (4-6 Plus Per Day) or/and
_____ Continuous (8-10 Plus per day)

Power Requirements

_____ Single Gen Sit
_____ 50 Hertz Power Plants (Multiplies of 2.8 MW)
_____ 60 Hertz Power Plants (Multiples of 2.4 MW)

- Packaging

_____ Skid Mounted or _____ Containerized

- Green Options

_____ Configured for Alternative fuels, including 50% Natural Gas and bio-Diesel
_____ Configured for CHP---Hot Water

- Delivery Request

_____ 4-6 Months _____ 6-8 Months

Special Comments: _____

Company Name: _____

Contact _____

Phone No. _____ E-Mail _____

Address _____

Proposed Location: _____ Name Current Electric

Utility _____

Contact Information

For more information contact

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We will be glad to work with you

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