SIGNATURE PAGE
P-31-2022

To the Monmouth County Board of County Commissioners:

THE UNDERSIGNED HEREBY DECLARES THAT I (WE) HAVE CAREFULLY EXAMINED THE SPECIFICATIONS. I (WE) HEREBY CERTIFY PRICES QUOTED ARE IN ACCORDANCE WITH YOUR REQUIREMENTS.

Company Name: Ameresco, Inc.
(PRINT)

Preparer's Name: Michael T. Bakas, Executive Vice President
(PRINT)

Signature: ______________ July 22, 2022
(DATE)

Address: 111 Speen Street

Framingham, MA 01701

Telephone No.: 508-661-2223

Fax No.: 508-598-3223

E-Mail Address: mbakas@ameresco.com and sburkholder@ameresco.com

*****(This should be the email where Contracts would be sent)*****

Contact Person: Sheila Burkholder, Senior Project Developer

FEIN: [redacted]
(Federal Employee ID)

(Revised 2/2017)

222148329v6

ECONOMIC BENEFITS SUMMARY FORM

Vendor SHALL COMPLETE AND RETURN WITH PART B OF PROPOSAL

Vendor must complete this form without making any alterations to its format. Fill in values where appropriate and circle appropriate answers as indicated. Attach more information as necessary to fully explain the economic benefits of your proposal.

Vendor COMPANY NAME: *Ameresco SPE, an affiliate of AMERESCO INC*

LFG To RNG facility capacity proposed at initial installation: *3000 scfm*

(in units of raw inlet LFG flow (scfm). Need not equal LFG available at installation)

Proposal Option #1

Description: Vendor 100% owns, permits, designs, builds, operates, maintains, negotiates with end users and RIN purchasers, etc. for the LFG to RNG facility, for 20 years utilizing excess LFG from the MCRC and operating on a leased portion of County land. Vendor acknowledges that Vendor will assume all costs, labor, and equipment to design, permit, construct, and operate Vendor's facility. In return, the Vendor shares a royalty with the County as follows:

Select one or multiple bullets:

- Vendor will pay County *24.5* percent of all gross revenue,
- Vendor will pay County _______ percent of all environmental attribute gross revenue, and/or
- Vendor will pay County _______ percent of _______________ or a flat rate of $_________ per month (optional).

If royalty is based on all gross revenue:

Vendor's estimated total gross revenue in the first full year of operation is estimated to be *$18,151,221* (Vendor shall attach basis for estimate). Vendor estimates their facility operation will begin on *03/31/2024* (date). Vendors estimated total gross revenue for the 20-year operating term is *$359,473,103* (provide back up for this estimate).

If royalty is based only on RIN gross revenue:

Vendor's estimated gross revenue from RIN's only in the first full year of operation is estimated to be $______________ (Vendor shall attach basis for estimate). Vendor estimates their facility operation will begin on __________ (date). Vendor's estimated gross revenue from RIN's only for the 20 year operating term is $__________ (provide back up for this estimate).

If royalty is based on other things besides gross revenue or RIN gross revenue:

Vendor's estimated ______ from ______ in the first full year of operation is estimated to be

$______________ (Vendor shall attach basis for estimate). Vendor estimates their facility operation will begin on __________ (date). Vendor's estimated _________ from _________ for the 20 year operating term is $__________ (provide back up for this estimate).

Proposal Option #1 – Basis for Estimate

	Inlet SCFM	Moisture content	CH4 %	Recovery	Capacity factor	Production	Comment
Year 1	3000	6.50%	50%	90%	80%	537,120	Year 1 assumed to have a ramp-up and therefore lower capacity factor
Year 2	3000	6.50%	50%	90%	92%	617,688	Year 2 is first full year with stable operations
Year 3	3000	6.50%	50%	90%	92%	617,688	
Year 4	3000	6.50%	50%	90%	92%	617,688	
Year 5	3000	6.50%	50%	90%	92%	617,688	
Year 6	3000	6.50%	50%	90%	90%	604,260	Lower capacity factor every 6 years for major maintenace
Year 7	3000	6.50%	50%	90%	92%	617,688	
Year 8	3000	6.50%	50%	90%	92%	617,688	
Year 9	3000	6.50%	50%	90%	92%	617,688	
Year 10	3000	6.50%	50%	90%	92%	617,688	
Year 11	3000	6.50%	50%	90%	92%	617,688	
Year 12	3000	6.50%	50%	90%	90%	604,260	
Year 13	3000	6.50%	50%	90%	92%	617,688	
Year 14	3000	6.50%	50%	90%	92%	617,688	
Year 15	3000	6.50%	50%	90%	92%	617,688	
Year 16	3000	6.50%	50%	90%	92%	617,688	
Year 17	3000	6.50%	50%	90%	92%	617,688	
Year 18	3000	6.50%	50%	90%	90%	604,260	
Year 19	3000	6.50%	50%	90%	92%	617,688	
Year 20	3000	6.50%	50%	90%	92%	617,688	
						12,232,906	

	Revenue Forecast				Royalty calculation	
	Brown Gas $/MMBtu	RIN price $/Gal	Marketing fees	Gross Revenue	Royalty %	Royalty
Year 1	$3.0	$2.50	10%	$15,783,671	24.5%	$3,866,999
Year 2	$3.0	$2.50	10%	**$18,151,221**	24.5%	**$4,447,049**
Year 3	$3.0	$2.50	10%	$18,151,221	24.5%	$4,447,049
Year 4	$3.0	$2.50	10%	$18,151,221	24.5%	$4,447,049
Year 5	$3.0	$2.50	10%	$18,151,221	24.5%	$4,447,049
Year 6	$3.0	$2.50	10%	$17,756,630	24.5%	$4,350,374
Year 7	$3.0	$2.50	10%	$18,151,221	24.5%	$4,447,049
Year 8	$3.0	$2.50	10%	$18,151,221	24.5%	$4,447,049
Year 9	$3.0	$2.50	10%	$18,151,221	24.5%	$4,447,049
Year 10	$3.0	$2.50	10%	$18,151,221	24.5%	$4,447,049
Year 11	$3.0	$2.50	10%	$18,151,221	24.5%	$4,447,049
Year 12	$3.0	$2.50	10%	$17,756,630	24.5%	$4,350,374
Year 13	$3.0	$2.50	10%	$18,151,221	24.5%	$4,447,049
Year 14	$3.0	$2.50	10%	$18,151,221	24.5%	$4,447,049
Year 15	$3.0	$2.50	10%	$18,151,221	24.5%	$4,447,049
Year 16	$3.0	$2.50	10%	$18,151,221	24.5%	$4,447,049
Year 17	$3.0	$2.50	10%	$18,151,221	24.5%	$4,447,049
Year 18	$3.0	$2.50	10%	$17,756,630	24.5%	$4,350,374
Year 19	$3.0	$2.50	10%	$18,151,221	24.5%	$4,447,049
Year 20	$3.0	$2.50	10%	$18,151,221	24.5%	$4,447,049
				$359,473,103	**24.5%**	**$88,070,910**

Proposal Option #2

Vendor and County partner on all aspects of the project (i.e.: ownership, capital costs, permitting, design, construction, operation, maintenance, finding vehicle fleets to purchase the RNG, RIN sales/revenue, etc.) for 20 years. If this proposal option is selected by Vendor, provide the following with your proposal:

Vendor's split of this partnership is: *49%* for County and *51%* for Vendor.
Vendor estimates their facility operation will begin on *03/31/2024* (date).
Vendor's estimated Capital Cost (that both parties will split) is *See notes below* (provide back up for this estimate).
Vendor's estimated 1st year O&M cost (that both parties will split) is *See notes below* (provide

back up for this estimate).

Vendor's estimated 1st year gross revenue (that both parties will split) is *$18,151,221* (provide back up for this estimate).

Vendor's 20-year operating term gross revenue (that both parties will split) is *$359,473,103* (provide back up for this estimate).

Vendor shall attach draft terms and conditions for this partnership.

Proposal Option #2 – Basis for Estimate

Ameresco respectfully declines to provide detailed highly confidential financial backup at this time due to the nature of the County of Monmouth as a public entity and the opportunity for a FOIA request. Potential public disclosure of our CAPEX and OPEX calculations would release our competitive information and impact our ability to be competitive in future industry bids. If Ownership is the only option the County is evaluating, we can have a verbal discussion with the County regarding parameters for investment. We can also meet with the County and show the data required for the evaluation.

If Ameresco is selected by the County as the Successful Bidder and the County desires to invest in the project, Ameresco will share all of this information with the County with full transparency.

	Revenue Forecast				Royalty calculation	
	Brown Gas $/MMBtu	RIN price $/Gal	Marketing fees	Gross Revenue	Royalty %	Royalty
Year 1	$3.0	$2.50	10%	$15,783,671	24.5%	$3,866,999
Year 2	$3.0	$2.50	10%	**$18,151,221**	24.5%	**$4,447,049**
Year 3	$3.0	$2.50	10%	$18,151,221	24.5%	$4,447,049
Year 4	$3.0	$2.50	10%	$18,151,221	24.5%	$4,447,049
Year 5	$3.0	$2.50	10%	$18,151,221	24.5%	$4,447,049
Year 6	$3.0	$2.50	10%	$17,756,630	24.5%	$4,350,374
Year 7	$3.0	$2.50	10%	$18,151,221	24.5%	$4,447,049
Year 8	$3.0	$2.50	10%	$18,151,221	24.5%	$4,447,049
Year 9	$3.0	$2.50	10%	$18,151,221	24.5%	$4,447,049
Year 10	$3.0	$2.50	10%	$18,151,221	24.5%	$4,447,049
Year 11	$3.0	$2.50	10%	$18,151,221	24.5%	$4,447,049
Year 12	$3.0	$2.50	10%	$17,756,630	24.5%	$4,350,374
Year 13	$3.0	$2.50	10%	$18,151,221	24.5%	$4,447,049
Year 14	$3.0	$2.50	10%	$18,151,221	24.5%	$4,447,049
Year 15	$3.0	$2.50	10%	$18,151,221	24.5%	$4,447,049
Year 16	$3.0	$2.50	10%	$18,151,221	24.5%	$4,447,049
Year 17	$3.0	$2.50	10%	$18,151,221	24.5%	$4,447,049
Year 18	$3.0	$2.50	10%	$17,756,630	24.5%	$4,350,374
Year 19	$3.0	$2.50	10%	$18,151,221	24.5%	$4,447,049
Year 20	$3.0	$2.50	10%	$18,151,221	24.5%	$4,447,049
				$359,473,103	**24.5%**	**$88,070,910**

Notes:

1. *The County has the right (but not an obligation) to invest and own up to 49% of the project company. Ameresco will maintain a controlling interest in the project company.*
2. *Ameresco prefers to project finance the project at appropriate time during development or construction and will need the cooperation of the County as equity partner through the project financing process. All debt will be kept at the project level (Ameresco SPE). The County will not directly incur any debt nor be obligated to make any debt service payments. Financing of this project will be on a project, non-recourse basis.*
3. *No O&M fees or EPC fees are charged by Ameresco to the project company (Ameresco SPE).*

Proposal Option #3

Other Alternative. Vendors may provide alternate payment provisions modifying the metrics in Option #1 and #2 above. Attach details on the alternative and describe if payments will escalate annually or quarterly and the basis for the escalation.

1. *Base Royalty*
    a. *The Base Royalty Percentage of the Gross Revenues paid to County increases annually each operating year by 0.5% from Years 1 through Year 15, effectively increasing from a 20% Base Royalty in Year 1 to 27% Base Royalty in Year 15.*
    b. *The Base Royalty Percentage increases annually each operating year by 1% beginning in Year 16 through Year 20.*
    c. *The 20-year average Base Royalty paid to County is 25.1% of Gross Revenue.*
    d. *The Royalty Percentage remains flat thereafter if any extensions to the Gas Rights are provided.*
2. *Bonus Royalty*
    a. *In addition to the base royalty, as an incentive to improve the gas quality, County will receive 50% of the incremental revenue earned on all RNG production in excess of an annual average production of 1640MMBtu/day.*
    b. *This Bonus Royalty is calculated and paid at the end of every Operating year.*
    c. *The 20-year average Total Royalty paid (Base Royalty plus Bonus Royalty) is 26.5% as percentage of Gross Revenue at base case assumption of 50% CH_4 and 90% recovery efficiency.*
    d. *The facility production can increase materially over the threshold (1640 MMBtu/day) with improvements in gas quality. In ideal gas scenario, Total Royalty paid can be increase up to ~32% of Gross Revenue (20 year total of ~$134 million)*
3. *Investment option*
    a. *The County can invest up to 49% of equity in this structure. Ameresco will maintain a controlling ownership interest in the project company.*
    b. *Other terms related County investment are similar to terms mentioned in Proposal Option #2*

Proposal Option #3 – Basis for Estimate

	Inlet SCFM	Moisture content	CH4 %	Recovery	Capacity factor	Production	Comment
Year 1	3000	6.50%	50%	90%	80%	537,120	Year 1 assumed to have a ramp-up and therefore lower capacity factor
Year 2	3000	6.50%	50%	90%	92%	617,688	Year 2 is first full year with stable operations
Year 3	3000	6.50%	50%	90%	92%	617,688	
Year 4	3000	6.50%	50%	90%	92%	617,688	
Year 5	3000	6.50%	50%	90%	92%	617,688	
Year 6	3000	6.50%	50%	90%	90%	604,260	Lower capacity factor every 6 years for major maintenace
Year 7	3000	6.50%	50%	90%	92%	617,688	
Year 8	3000	6.50%	50%	90%	92%	617,688	
Year 9	3000	6.50%	50%	90%	92%	617,688	
Year 10	3000	6.50%	50%	90%	92%	617,688	
Year 11	3000	6.50%	50%	90%	92%	617,688	
Year 12	3000	6.50%	50%	90%	90%	604,260	
Year 13	3000	6.50%	50%	90%	92%	617,688	
Year 14	3000	6.50%	50%	90%	92%	617,688	
Year 15	3000	6.50%	50%	90%	92%	617,688	
Year 16	3000	6.50%	50%	90%	92%	617,688	
Year 17	3000	6.50%	50%	90%	92%	617,688	
Year 18	3000	6.50%	50%	90%	90%	604,260	
Year 19	3000	6.50%	50%	90%	92%	617,688	
Year 20	3000	6.50%	50%	90%	92%	617,688	
						12,232,906	

	Revenue Forecast				Royalty calculation				
	Brown Gas $/MMBtu	RIN price $/Gal	Marketing fees	Gross Revenue	Base Royalty %	Royalty	Production over threshold	Bonus Royalty	Total Royalty
Year 1	$3.0	$2.50	10%	$15,783,671	20.0%	$3,156,734	–	–	$3,156,734
Year 2	$3.0	$2.50	10%	$18,151,221	20.5%	$3,721,000	19,088	$280,456	$4,001,456
Year 3	$3.0	$2.50	10%	$18,151,221	21.0%	$3,811,757	19,088	$280,456	$4,092,212
Year 4	$3.0	$2.50	10%	$18,151,221	21.5%	$3,902,513	19,088	$280,456	$4,182,968
Year 5	$3.0	$2.50	10%	$18,151,221	22.0%	$3,993,269	19,088	$280,456	$4,273,724
Year 6	$3.0	$2.50	10%	$17,756,630	22.5%	$3,995,242	5,660	$83,160	$4,078,402
Year 7	$3.0	$2.50	10%	$18,151,221	23.0%	$4,174,781	19,088	$280,456	$4,455,237
Year 8	$3.0	$2.50	10%	$18,151,221	23.5%	$4,265,537	19,088	$280,456	$4,545,993
Year 9	$3.0	$2.50	10%	$18,151,221	24.0%	$4,356,293	19,088	$280,456	$4,636,749
Year 10	$3.0	$2.50	10%	$18,151,221	24.5%	$4,447,049	19,088	$280,456	$4,727,505
Year 11	$3.0	$2.50	10%	$18,151,221	25.0%	$4,537,805	19,088	$280,456	$4,818,261
Year 12	$3.0	$2.50	10%	$17,756,630	25.5%	$4,527,941	5,660	$83,160	$4,611,100
Year 13	$3.0	$2.50	10%	$18,151,221	26.0%	$4,719,318	19,088	$280,456	$4,999,773
Year 14	$3.0	$2.50	10%	$18,151,221	26.5%	$4,810,074	19,088	$280,456	$5,090,529
Year 15	$3.0	$2.50	10%	$18,151,221	27.0%	$4,900,830	19,088	$280,456	$5,181,286
Year 16	$3.0	$2.50	10%	$18,151,221	28.0%	$5,082,342	19,088	$280,456	$5,362,798
Year 17	$3.0	$2.50	10%	$18,151,221	29.0%	$5,263,854	19,088	$280,456	$5,544,310
Year 18	$3.0	$2.50	10%	$17,756,630	30.0%	$5,326,989	5,660	$83,160	$5,410,149
Year 19	$3.0	$2.50	10%	$18,151,221	31.0%	$5,626,879	19,088	$280,456	$5,907,334
Year 20	$3.0	$2.50	10%	$18,151,221	32.0%	$5,808,391	19,088	$280,456	$6,088,847
				$359,473,103	**25.1%**	**$90,428,596**		**$4,736,772**	**$95,165,368**
									26.5%
					Avg Royalty				Avg Royalty including Bonus Royalty

Notes and General assumptions

1. *Ameresco will fund the cost of construction of the asset from cash on hand, cash from operations, our corporate revolving credit facility and/or a dedicated non-recourse construction-to-permanent facility. Ameresco has an incredibly deep non-recourse debt capital markets team and experience. We have sourced over $3.6 billion of project capital.*
2. *No tax credits or local subsidies are considered in the assumptions*
3. *For the bid, RINs (@$2.5/gallon) are assumed to be sold for 100% of the production. Ameresco SPE may enter into a fixed price offtake contract for a portion of the production to reduce the volatility of earnings and secure more favorable financing terms.*
4. *Gross Revenues used in the proposals above is calculated as sum of Brown Gas revenue and RIN revenue net of marketing fees.*
5. *The Brown Gas component of RNG injected to NJNG is assumed to be sold at $3/MMBtu per the RFP instructions; The royalty will be based on actual brown gas revenue realized.*
6. *Electricity cost is assumed to be $71.2/MWh (increasing annually with inflation). We expect an operating load of approximately 2.6MW.*
7. *NJNG interconnection pricing has not been provided and proposal is based on an estimated $3.3M cost. Any savings from this estimate can be passed on to the to the County in the form of a higher royalty payment or a one-time upfront payment at the time of commercial operations.*

All Proposal Options

Explanation of other service or benefits the Vendor offers the County: (attach additional pages if necessary):

- *In the absence of any exemptions or waivers, the property tax payable to the County on the asset is expected to be over $600,000 per year initially (calculated based on generic tax rate in the County and estimated assessed value) and reduce over time with asset depreciation.*
- *Ameresco is evaluating investment in Green Hydrogen facilities that produce Hydrogen directly from surplus LFG.*
- *Ameresco is also evaluating sequestration or commercial sale of CO_2.*
- *The decision to pursue the above opportunities will depend on technical and economic feasibility and favorable regulatory/policy environment. Ameresco will also pay as royalty appropriate share of the revenue from these opportunities when they come to fruition.*
- *Ameresco will work with the County to provide available waste heat for County's beneficial use.*

Value of other services or benefits the Vendor offers the County: *Difficult to quantify currently*

Vendor acknowledges that production from Vendor's facility is secondary to the operation of the MCRC, including without limitation regulatory compliance. Collecting LFG to meet environmental regulations and/or otherwise in connection with the operation of the MCRC will take precedence over collecting LFG for commercial use if the two conflict.

Vendor's Signature ______________________ Date July 22, 2022

Michael T. Bakas, Executive Vice President