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EH Group



The Ridgecrest Energy Project

The Ridgecrest Energy Project ... **creating economic development that will:**

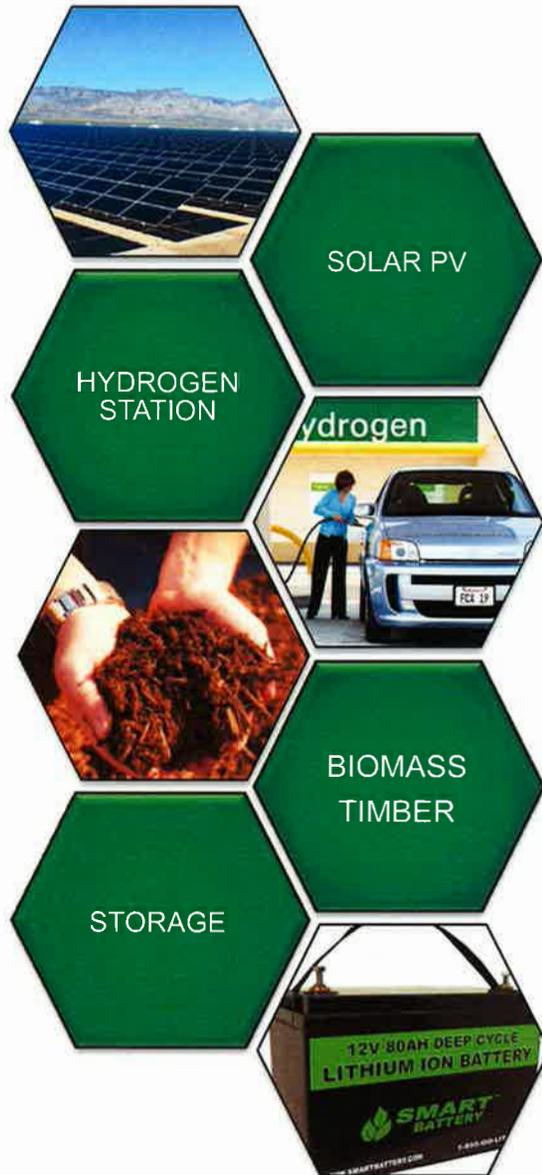
- **Create thousands of local jobs over the next several decades**
- **Compliment/build from the community's extensive technical engineering workforce**
- **Draw (\$)Billions in private sector investment to the region**
- **Establish revenue balance and economic resiliency for the community**

Initial required investment from city of Ridgecrest = \$1,450,000

EH Group is a strategic development company specializing in projects that combine strong technology solutions with innovative approaches.

- We match technology with possibility, and we have a track record of outstanding results
- We are a global team, immersed in cultures and climates that make us uniquely suited to understand the art of adaptation
- We take pride in promoting projects that contribute to the green environment, health, and security of the global community
- EH Group is a Veterans Administration Certified Service Disabled Veteran Owned Small Business and committed to supporting veterans with their transition to the civilian workforce

- Conduct Project Economic Analysis
 - Analyze resources
 - Create a short list of potentially feasible energy projects
 - Determine projected income generation
- Provide Active Government, Community and Business engagement
 - Generate dialogue on utility service, energy, renewable and conventional, generation issues
 - Develop and discuss alternative paths for existing infrastructure and renewable energy development plans
 - Provide for community input
- Provide A Transparent Evaluation Process
- Develop & Manage Specific Projects



Projected impacts through 2025:

- Project Portfolio: Solar PV, Solar Thermal, Biomass Timber, Biomass Waste, Hydrogen Station, Storage
- Total jobs created: 1,675
- Total land used: 1,145 acres
- Renewable Energy Conference Hub
- Eco-Tourism

- California population expected to reach 52.7 million by 2060, nearly doubling current energy requirements
- California Assembly Bill (AB) 32
 - Statewide greenhouse gas reduction program
 - Requires state to achieve 33% clean energy power generation by 2020
- Governor's goal of reaching approximately 14,000 MW of renewable sourced energy by 2020
- Projected 18% in opportunity rate for larger (<20 MW) renewable energy projects through 2016

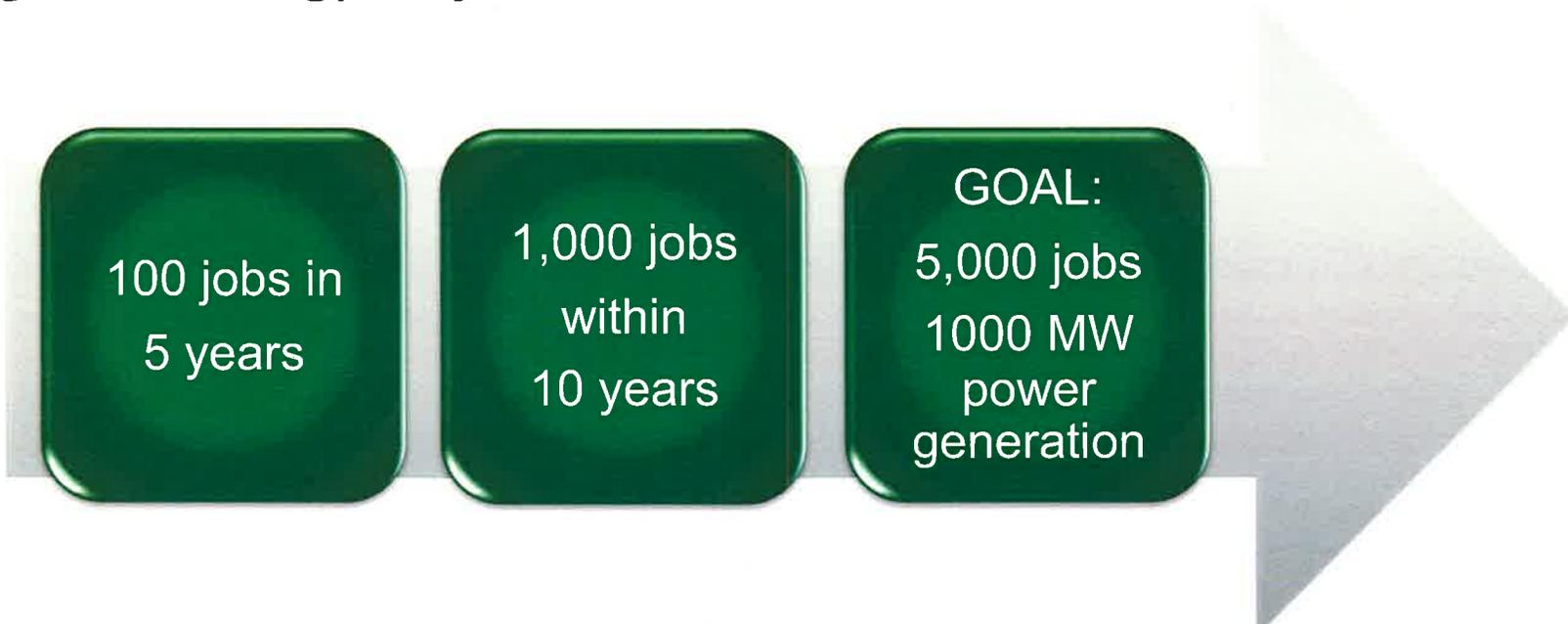


Leveraging funds from state and federal programs, private foundations, and commercial investment, the Ridgecrest Energy project will establish a blended renewable energy portfolio that balances across the strengths of each technology:

- Solar
 - Power generation: 1,000 MW
 - Job creation: 1,000
- Biomass
 - Power generation: 40 MW
 - Job creation: 400
- Hydrogen
 - Hydrogen Fuel Station
 - Job creation: 25
- Storage:
 - Capacity (TBD)
 - Job creation: 30



- Renewable energy technologies create more jobs per average MW of power generated, and dollar invested compared to coal or natural gas
- Estimates of job creation per year per MW for:
 - Biomass: 11.48
 - Solar PV (utility scale): 5.92
- Ridgecrest Energy Project will create:



- **Academia:** research and development projects will bring researchers to the community
- **STEM Program:** Sierra Sands School District renewable energy STEM programs
- **Professional Conferences:** Ridgecrest will become a hub for professional forums that address the science, engineering, environmental, and business practices of renewable energy equilibrium
- **Ecotourism:** continuous flow of visitors to the area



- Immediately pursue more funding at State & Federal levels
- Provide economic balance and resiliency by adding a private sector developed industry to the federal government funded defense industry
- Manage construction work opportunities to avoid periods of temporary surge workforce levels from out of the area
- Create technical jobs consistent with the current workforce
- Provide employment opportunities to attract new residents
- Allow adequate time for analysis of impacts affecting natural, historical and cultural resources across the Valley
 - Ecosystem stewardship
 - Water
 - Plant and wildlife populations

- Critical to the overall success of the project
- EH Group is proactive in engagement that seeks to include community members, organizations, and the local business community
 - We will work together with the City Council and City Staff to engage in an ongoing dialogue across the community.
- EH Group will engage the County, State, and Federal Governments on the project



Ed Hackett

President, EH Group Inc.

703.943.7205

edhackett@ehgroupinc.com

May 12, 2014

To: City Of Ridgecrest, CA
Mr. Gary Parsons
100 West California Ave
Ridgecrest, CA 93555

Re: Economic Development Initiative

This letter and the enclosed proposal from the EH Group, Inc. regard the previous meetings from this year, the letter from your office dated April 16th and subsequent follow on emails.

The City Of Ridgecrest is exploring economic development initiatives. To that end, the offeror's technical capabilities, past performance on relevant projects, and pricing are of paramount importance.

The EH Group, Inc. brings extensive experience in Strategic Development markets for delivering the most advanced technologies to the forefront. The City of Ridgecrest's objectives for a healthy and vibrant economic development initiative could well be accomplished through a growth path in renewable energies.

Table 1 in the attached proposal provides a broad breakdown for job development that could be captured over the next several decades. In direct reply to your request for more detailed information:

1. EHG projects the creation of well over 100 jobs after five years and over 1600 jobs in the first 10 years. Numerous estimates place average salary in the renewable energy sector around \$70,000.
2. Our business plan will provide better fidelity toward taxable revenues. Investment in the region will be greater than \$1B over the lifecycle of the project.
3. We estimate the need for a minimum of 6 new buildings for maintenance, storage and repair operations. We also preliminarily estimate that over 5,000 acres could be used to support the Ridgecrest Energy Project.
4. The hotel and restaurant sector in Ridgecrest would flourish under the Ridgecrest energy project. EH Group estimates that across the 5-10 year outlook, the annual hotel use will increase by 2,000-3,000 room nights (annual) for conferences, research and ecotourism.

The combination of EH Group's technical capabilities and excellent associated past performance suggest that the company will deliver the proposed contract in a timely and efficient manner, exceed The City of Ridgecrest's expectations, and achieve outstanding results. If you have any questions, please contact me at any time.

Sincerely,

A handwritten signature in cursive script that reads 'Edward Hackett'.

Edward Hackett
President, EH Group, Inc.

Use or disclosure of data on this sheet is subject to the restriction on the title page of this proposal.

The Ridgecrest Energy Project

Introduction

The City of Ridgecrest evolved from a federal government investment in the Indian Wells Valley that exploited the vast land resources and relative isolation for the expanding defense industry. Today, decades later, the Ridgecrest community is positioned to again leverage the valley's abundant natural resources to become a leader in the California energy sector.



The EH Group, Inc. proposes the Ridgecrest Energy Project: the strategic development of a commercial clean energy program that will establish Ridgecrest as the Silicon Valley of Renewable Energy. The Ridgecrest Energy Project will produce electrical power and liquid fuels entirely generated from renewable solar, bio-mass, and hydrogen resources. The Ridgecrest Energy Project will be designed with adaptive capacity to support emerging technologies in the rapidly expanding renewable energy sector. Over the next several decades the Ridgecrest Energy Project infrastructure will iteratively develop and ultimately create a true net-zero carbon emission energy footprint. Not to be mistaken for a prototype or demonstration project, the Ridgecrest Energy Project will be a fully commercial Investor Owned Utility (IOU) system serving as a strategic energy production center for the State of California.

Foremost, the objective of the Ridgecrest Energy Project is to **create economic development** that will:

- Create thousands of local jobs over the next several decades
- Compliment/build from the community's extensive technical engineering workforce
- Draw (\$)Billions in private sector investment to the region
- Establish revenue balance and economic resiliency for the community

The initial investment required for the Ridgecrest Energy Project from the city of Ridgecrest is \$1,450,000. This investment will be used to further capture and direct massive State and Federal investment in renewable energy initiatives to the local area and open the door to a multitude of balanced private sector development projects across the renewable energy sector.

Company Background

EH Group is a strategic development company specializing in projects that combine strong technology solutions with innovative approaches. We marry technology with possibility, and we have a track record of outstanding results. We are a global team, immersed in cultures and climates that make us uniquely suited to understand the art of adaptation. At the EH Group, we take pride in promoting projects that contribute to the green environment, health, and security of the global community. The EH Group is



also a Veterans Administration Certified Service Disabled Veteran Owned Small Business and committed to supporting veterans with their transition to the civilian workforce.

Scope Of Work

EH Group will research, analyze, and establish best usage of regional resources for renewable energy projects. EH Group will create a commercial project office for the investment and development in prospective renewable energy projects, and manage selected projects to generate revenue, build infrastructure and create job opportunities in the Ridgecrest community. The EH Group will develop and execute a business plan that will:

1. Project Economic Analysis. EH Group will develop a detailed analysis for the most viable renewable energy projects. EH Group will conduct the following:

- Analyze resources regarding best usage for renewable energy projects.
- Create a short list of potentially feasible energy projects
- Determine projected income generation from these energy projects

2. Provide active Government, Community and Private Sector consultation. The success of the Ridgecrest Energy Project is highly dependent on cooperative Government interaction, extensive community support, and significant private sector investment. The EH Group will develop a plan to provide stakeholders:

- Information on utility service, energy, renewable and conventional, generation issues
- Insights into existing infrastructure and renewable energy development plans
- Insights into possible energy project types, locations and economics
- Opportunities to provide input about development plans, and land usage for renewable and/or alternative energy projects

3. Provide a transparent evaluation process. Once the land areas and energy projects for those land areas are identified, the EH Group will develop evaluation criteria for the selection of the most responsive and responsible private sector investment for a renewable energy project.

4. Manage specific projects. The EH Group, under the Ridgecrest Energy Project, will manage the evaluation, selection and implementation of specific energy projects.

Impact Summary

Table 1 provides a projected overview for the economic development that would be brought to the Ridgecrest community through a comprehensive renewable energy development project. Job creation calculations were derived from estimated system capacity using California Energy Commission renewable energy job production ratios. Job calculations include both construction and sustained operations.

Table 1. Ridgecrest Energy Project Impact Summary

Operating Site		2015	2016-2020	2020-2025	Notes
Management Office	Jobs	5	15	20	Cumulative
	Land				
	Office/Building	1750 sqft	3,000 sq ft	5,000 sq ft	
Solar PV	Jobs		50	1000	Cumulative
	Land		50 acres	1000 acres	
	Office/Building		Maint Bldg	Maint Bldg	
Solar Thermal	Jobs		20	200	Cumulative
	Land		20 acres	20 acres	
	Office/Building		Maint Bldg	Maint Bldg	
Biomass Timber	Jobs		20	200	Cumulative
	Land		10 acres	10 acres	
	Office/Building		Maint Bldg	Maint Bldg	
Biomass Municipal Waste	Jobs		20	200	Cumulative
	Land		10 acres	10 acres	
	Office/Building		Maint Bldg	Maint Bldg	
Hydrogen	Jobs		25	25	Cumulative
	Land		5 acres	5 acres	
	Office/Building		Fueling Station	Fueling Station	
Storage	Jobs		5	30	Cumulative
	Land		5 acres	10 acres	
	Office/Building		Building	Building	
Annual Hotel	Room Night Yr	100	2000	3000	

Background Information

The Demand For Renewable Energy In California

California has a current population of approximately 38 million people, and will cross the 50 million mark in 2049 and grow to nearly 52.7 million by 2060, according to population projections of the California Department of Finance Report January 2013. The energy demands of that expanding population will nearly double from what is in use today.

California Assembly Bill (AB) 32: The **Global Warming Solutions Act of 2006**, or AB 32, is a California State Law that fights climate change by establishing a comprehensive program to reduce greenhouse gas emissions from all sources throughout the state. As the California population continues to grow, energy production must continue to rise to meet demand. However, AB 32 was deliberately established to constrain the use of fossil fuel generated energy and set a requirement for the State to achieve a 33% use in clean energy fuel sources making the renewable energy sector the emerging player in meeting California's Greenhouse Gas emissions mandated by State legislation.

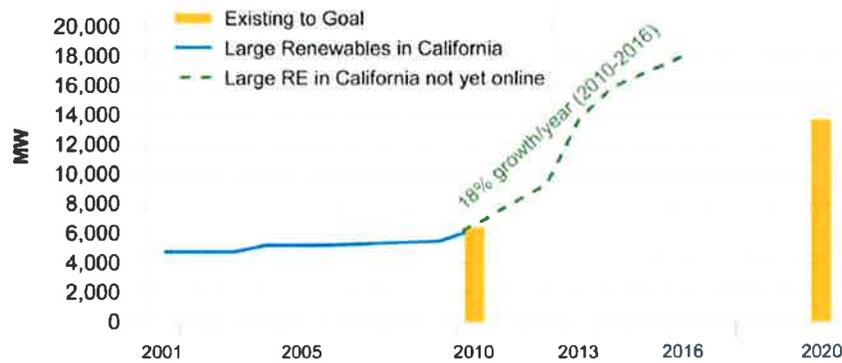
California Current and Future Renewable Energy Sources: Figure 1 shows a 2012 comprehensive distribution of energy sources for the state of California as reported by the California Energy Commission. Currently, renewables account for only 15% of the total system power generation.

Figure 1. Current Distribution of Energy Generation in the State of California

2012 Total System Power in Gigawatt Hours						
Fuel Type	California In-State Generation (GWh)	Percent of California In-State Generation	Northwest Imports (GWh)	Southwest Imports (GWh)	California Power Mix (GWh)	Percent California Power Mix
Coal	1,580	0.8%	561	20,545	22,685	7.5%
Large Hydro	23,202	11.7%	12	1,698	24,913	8.3%
Natural Gas	121,716	61.1%	37	9,242	130,995	43.4%
Nuclear	18,491	9.3%	-	8,763	27,254	9.0%
Oil	90	0.0%	-	-	90	0.0%
Other	14	0.0%	-	-	14	0.0%
Renewables	34,007	17.1%	9,484	3,024	46,515	15.4%
Biomass	6,031	3.0%	1,025	23	7,079	2.3%
Geothermal	12,733	6.4%	-	497	13,230	4.4%
Small Hydro	4,257	2.1%	204	-	4,461	1.5%
Solar	1,834	0.9%	-	775	2,609	0.9%
Wind	9,152	4.6%	8,254	1,729	19,135	6.3%
Unspecified Sources of Power	N/A	N/A	29,376	20,124	49,500	16.4%
Total	199,101	100.0%	39,470	63,396	301,966	100.0%

Figure 2 is taken from the California Clean Energy report that displays existing renewable energy levels (generated by systems greater than 20MW) in California and the Governor’s goal of reaching approximately 14,000 MW of renewable sourced energy by 2020. Additionally, the potential contracts for large renewable projects, greater than 20MW, are shown with a projected opportunity growth rate of 18% currently through 2016.

Figure 2. Large Scale Renewable Energy In California



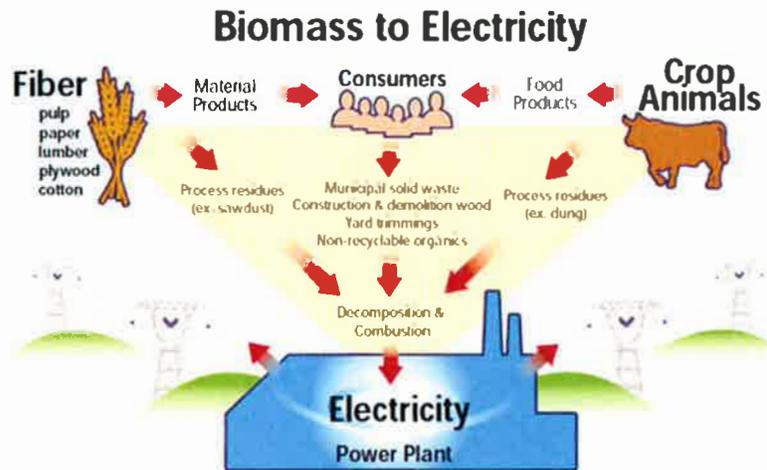
Solar Photovoltaic (PV) will need to play a significant role in the world’s energy expansion through 2050 to help achieve global climate change goals at the lowest cost. According to the International Energy Agency, by 2050, solar power is expected to provide 11% of annual global electricity production, with roughly half generated from PV (6%) and the remaining from concentrated solar power.

Biomass: “Biomass” – biologically-derived renewable materials that can be used to produce heat, electric power, transportation fuels, and other value-added products and chemicals – is found in abundance in California and represents a significant renewable energy resource. As California pursues increases in the use of renewable energy, bioenergy in the form of **biomass power (biopower)**, and **biomass-based fuels (biofuels)** will be important contributors.

Biomass, unlike any other renewable or conventional energy resource, requires unique cooperation and collaboration among a range of industries in order to be widely deployed. These industries include agriculture, forest products, electric power, waste management, chemicals/petrochemicals, oil and gas, and automobile manufacturers. To take biomass to the next level of development may require new partnerships and business models among these industries, and will also likely require government involvement in the near term.

Biopower (Biomass power) is drawn from combusting or decomposing organic matter. There are about 132 waste-to energy plants in California, with a total capacity of almost 1,000 megawatts. These plants power our homes and businesses with electricity from waste matter that would have been released into the atmosphere, added fuel to forest fires, and burdened our landfills.

Figure 3. Biomass Conversion To Electricity (Biopower)



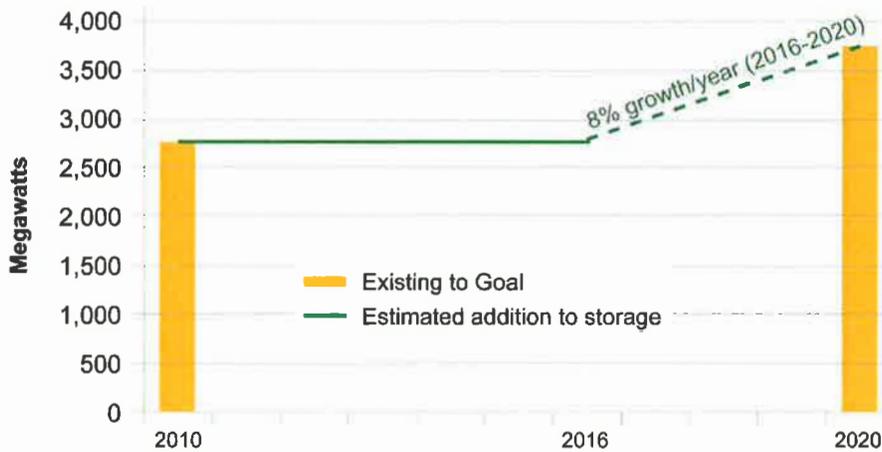
Californians create nearly than 2,900 pounds of household garbage and industrial waste each and every second; a total of 85.2 million tons of waste in 2005 (according to the California Integrated Waste Management Board) Of that, 43.2 million tons is recovered and recycled or used to make energy, but 42 million tons has to be disposed in landfills.

Biofuels (biomass-based fuels) are alternative liquid fuels developed from the processed conversion of biomass feedstock. Crop and forest residues, perennial grasses, urban-derived waste materials, and other sources, are less likely to directly compete with food and animal feed. Although still in the early stages this conversion creates great leap ahead potential for the Ridgecrest Energy Project, and a strong partnering area for working with the US Department of Agriculture and the Western Kern County agricultural community.

Hydrogen: The efficiency and cleanliness of the hydrogen and electric powertrains are much greater than the traditional petroleum-based solutions. Currently, California is the leader in hydrogen fueling and hydrogen fuel cell vehicle projects. Still, the network of stations is sparse. There remains a chicken-and-egg status for hydrogen fuel cell vehicles. Until there's enough infrastructure to support hydrogen refueling, consumers will be unlikely to embrace the technology. Until consumers are ready to embrace the technology, manufacturers will be unable to achieve the economies of scale that will bring prices to reasonable levels. On the infrastructure side, investors are unwilling to build and install fueling stations until there's more demand. That's the chicken-and-egg scenario.

Storage: The California Energy Commission has stated that distributed storage at the community scale can help maintain reliability on distribution circuits, and help ensure that electricity is available during peak loads times on the local distribution level by creating a load balance within the system. The amount of distributed storage has also become one of the State’s leading initiatives to manage renewable distributed generation variability. Figure 4 displays the projected 8% growth path for electrical storage in the state of California.

Figure 4. Electrical Storage in California



Job Creation in the Renewable Energy Sector

The Ridgecrest Energy Project will create new jobs, and many of them. This renewable energy sector work force analysis has been painstakingly reported for many times over within California. As one California center aptly surmised:

“According to an analysis of **13 independent reports and studies** of the clean energy industry by UC Berkeley’s Renewable and Appropriate Energy Laboratory (RAEL), renewable energy technologies create more jobs per average megawatt (MW) of power generated, and per dollar invested in construction, manufacturing, and installation when compared to coal or natural gas. Over the course of a 10-year period the solar industry creates 5.65 jobs per million dollars in investment, the wind energy industry 5.7 jobs, and the coal industry only 3.96. In the case of coal mining, wind and solar energy generate 40 percent more jobs per dollar invested.”

Figure 5 is a comprehensive presentation from two economic models for California job creation estimates developed for renewable electricity and, for comparison purposes, are also provided for nuclear, natural gas, and coal. The estimates are based on: 1) the National Renewable Energy Laboratory’s (NREL) Jobs and Economic Development Impact (JEDI) model; and 2) analysis by Max Wei, Shana Patadia, and Daniel Kammen (Wei analysis) at the University of California, Berkeley Energy Resources Group.

Figure 5. Estimate of job-year creation from renewable and conventional technologies

Energy Technology	Job-years/MWa	Job-years/GWh	Primary source
Biomass/Landfill Gas	11.48	1.31	Wei Patadia Kammen
Geothermal	6.21	0.72	Wei Patadia Kammen
Small Hydro	6.65	0.77	Wei Patadia Kammen
Solar PV Utility Scale	5.92	0.69	NREL JEDI (CA)
Solar PV Residential (< 1MW)	11.19	1.31	NREL JEDI (CA)
Solar PV Large Commercial	8.25	0.97	NREL JEDI (CA)
Solar Thermal - CSP	3.28	0.41	NREL JEDI (CA)
Wind	0.85	0.10	NREL JEDI (CA)
Natural Gas	0.35	0.04	NREL JEDI (CA)
Nuclear	3.58	0.42	Wei Patadia Kammen
Coal	0.80	0.11	NREL JEDI (CA)

Source: California Energy Commission analysis based on NREL's JEDI model; Wei, Patadia, Kammen's analysis published in the journal *Energy Policy* (2010) for direct jobs. Energy Commission staff added indirect and induced jobs using multipliers in NREL's JEDI model.

The Ridgecrest Energy Project project will create 100 new jobs within the first 5 years, 500-1000 within the first 10 years, and continue to grow beyond the 5,000 job level as Ridgecrest grows to provide 1,000 MWa of renewable power generation for the State of California.

A Technical Approach That Creates Impact

Development Goals

The Ridgecrest Energy Project will produce electrical power and liquid fuels generated from solar, hydrogen, cellulosic biomass, and municipal waste. The project will also concentrate on commercial technologies for energy storage. Leveraging funds from state and federal programs, private foundations, and commercial investment, the Ridgecrest Energy project will establish a blended renewable energy portfolio that balances across the strengths of each technology:

Solar: In order to meet the California goal of 33 percent renewable energy by 2020, a total of 48 terawatt-hours of new renewable energy must be generated, some of which is likely to come from utility-scale solar energy facilities. Given the current political climate, in which both federal and state governments are prioritizing renewable energy, the community of Ridgecrest is positioned to initiate utility-scale solar development.

For Solar development the Ridgecrest Energy Project will:

- ❖ Initiate the development of net 1,000 MWa solar system over a 10 year period.
- ❖ The mix systems will be heavily Solar PV with some Solar Thermal.

- ❖ Projected job growth will exceed 1,000 jobs in the first 10 years

Biomass: Since 2005, the Forest Service's woody biomass utilization grant program has helped start more than 160 woody biomass projects that support rural economies and have created hundreds of new jobs. In 2012 and 2013 alone, the program funded the start-up costs of 30 facilities across the United States. These projects remove and use excess wood – the same trees and brush that fuel the catastrophic wildfires we've seen in the last several years – from our nation's forests.

For Biomass development the Ridgecrest Energy Project will:

- ❖ In concert with county, state and federal agencies - secure woody mass and agriculture waste feedstock agreements to develop commercial investment of biopower systems up to 40 MWa.
- ❖ Initiate the development of a municipal waste to biofuel system in collaboration with the Kern County regional landfill.
- ❖ Projected job growth coupled to the Biomass system(s) will be approximately 400 in the first 10 years.

Hydrogen: California is the leader in hydrogen fueling and hydrogen fuel cell vehicle projects. Still, the network of stations is sparse. According to a recent article (April, 2104) in Forbes magazine, there are only 9 public stations currently in operation in California today, with 19 additional stations scheduled to open in the next 18 months. There are 200 fuel cell vehicles operating on California roads, including cars, busses and heavy-duty trucks.

For Hydrogen development the Ridgecrest Energy Project will:

- ❖ Develop the Ridgecrest area hydrogen fueling station.
- ❖ Leverage the Solar Thermal and Biomass generation systems for hydrogen output.
- ❖ Leverage grant funding to establish a hydrogen vehicle cottage community with city, state, federal and private sector interests.
- ❖ Projected job growth for the hydrogen systems is approximately 25.

Energy Storage: California has enacted laws that make energy storage more viable from a cost and regulatory perspective and give the California Public Utilities Commission (CPUC) the power to mandate certain regional penetration levels of storage. The CPUC recently mandated that 50 MW of storage be installed in the Los Angeles Basin by 2020, as well as a top-line mandate of 1.3 GW of storage for the entire state.

For Storage development the Ridgecrest Energy Project will:

- ❖ Develop a deliberate entry path for the project to create a near term and long term strategy for commercialized cost competitive storage capacity solutions.
- ❖ Due to the nascent phases that the Storage sector is in, this is one area that has potential for even bringing a manufacturing footprint to the area.
- ❖ Projected job growth in the storage sector is approximately 30 (without counting any manufacturing initiative).



Methodology

The EH Group proposes a sustained and deliberate growth path for the Ridgecrest Energy Project. Unlike numerous fast track energy projects, the Ridgecrest Energy Project is envisioned to incrementally develop in order capture and adapt emerging technologies - maintaining peak commercial relevancy. Additionally, this incremental path will:

- Allow adequate time for analysis of impacts affecting natural, historical and cultural resources across the Valley.
- Provide more consistent construction employment for the local business community by avoiding periods of temporary surge workforce levels from out of the area.
- Provide operations and management technical jobs consistent with the current workforce in the Ridgecrest community.
- Provide employment opportunities to attract new residents into the community
- Provide economic balance and resiliency to Ridgecrest by adding a private sector developed industry to the current federal government funded defense industry.

Challenges That Create More Opportunity

As a desert community we are all conscious of fine balance that exists across the eco-system we live in.

- **Water.** Due to the limited amount of water resources in the California desert, the issue of water use by utility-scale, energy facilities is highly contentious in the views of environmentalists, communities, developers, politicians, and land managers.
- **Wildlife and Plant Populations.** Utility-scale renewable energy projects have direct effects on the surrounding desert ecosystem. The type and severity of the potential impacts that individual project development may have on an ecosystem are also influenced by technology type, and therefore certain design variables also play a key role in determining the ecological impacts of a project.

The Ridgecrest Energy Project will be our opportunity, as a community, to create an environmental stewardship initiative that works in concert with building an energy ecosystem.

The Extended Economic Impact

The Ridgecrest Energy Project will establish a model ecosystem that will draw thousands to the city every year for a wide variety of interests:

- **Academia:** The project will create a broad opportunity for research and development projects that will bring top researchers to the community.



- **STEM Programs:** The project will provide opportunity for students in the Sierra Sands School District to participate in renewable energy STEM programs.
- **Professional Conferences:** Ridgecrest will become a hub for professional forums that address the science, engineering, environmental, and business practices of renewable energy equilibrium. Federal, State and County offices will showcase the project as the model for the future. International communities will visit to gain understanding and establish partnering opportunities.
- **Ecotourism** will spark a continuous flow of visitors to the area increasing occupancy at local hotels and patronage in restaurants and stores.

Communications

Community engagement is critical to the success of this endeavor, and most important in the initial stages. EH Group believes in a proactive engagement that seeks to include community members, organizations, and the local business community. We will strive to provide clarity and transparency in the outreach process to develop awareness, build understanding and earn the community's support for the Ridgecrest Energy Project. EH Group will work together with the City Council and City Staff to engage in an ongoing dialogue across the community.

External to the community, EH Group will also engage with elected officials and staff from the County, State, and Federal Governments on the project. EH Group will also brief agency staff at the County, State, and Federal levels that will have jurisdiction over any aspect of this project. Proactive engagement with policy makers will continue from pre-development to operations of this project.

The outreach is such a critical element that we will bring to the project one of our strategic allies, the Cirlot Agency, to help shape the integrated communications for this economic development initiative. Cirlot's depth in working with community's on economic development initiatives is highlighted in the attached overview we've asked them to prepare for this project.

Qualifications

A summary of Qualifications will be provided.

Contact Information

Point of Contact:

Edward Hackett, President
EH Group, Inc.
270 Point Road
Eclectic, AL 36024

Business Classification:

Service Disabled, Veteran Owned, Small Business
DUNS Code: 809220622
Cage Code: 55TH7
TIN (or EIN): 26 0257934

CITY OF RIDGECREST,
CALIFORNIA

AGENCY CAPABILITIES

MAY 2, 2014

EHGROUP^{INC}



THE CIRLOT AGENCY

INCORPORATED

ECONOMIC DEVELOPMENT EXPERIENCE

INTERNATIONAL

Mississippi World Trade Center, Jackson, MS

NATIONAL

AMT (Ardillo, McCullough & Taggart, LLC), Jackson, MS

The City of Madison Chamber of Commerce, Madison, MS

The City of Moss Point, Moss Point, MS

Greater Jackson Chamber Partnership, Jackson, MS

Jackson County Area Chamber of Commerce, Pascagoula, MS

Jackson County Economic Development Authority, Pascagoula, MS

Madison County Chamber of Commerce, Madison, MS

MetroJackson Economic Development Alliance, Jackson, MS

Mississippi Power Economic Development, Gulfport, MS

Mississippi Technology Alliance, Jackson, MS

Natchez/Adams County Economic Development Authority, Natchez, MS

Rankin County Economic Development Authority, Brandon, MS

Southwest Mississippi Economic Development Council, Natchez, MS

Vicksburg Downtown Merchants Association, Vicksburg, MS



MISSISSIPPI POWER ECONOMIC DEVELOPMENT

Situation Analysis: Mississippi Power Economic is a nationally recognized development group, which assists in finding and evaluating the ideal location for businesses – whether manufacturing, warehousing or distribution. The group represents Southeast Mississippi, a region situated on the northern rim of the Gulf of Mexico between New Orleans, LA, and Mobile, AL, and extending northward to include Hattiesburg and Meridian. The Cirlot Agency was hired to develop an integrated communications plan focused on expansion, recruitment and retention.



Integrated Strategy & Implementation: The Cirlot Agency held a Strategic Planning Session with the Mississippi Power Economic Development Team in October of 2010. From the session, The Cirlot Agency developed a comprehensive 18-month Economic Development Expansion, Recruitment & Retention Strategic Plan.

Upon execution of the plan, The Cirlot Agency researched potential names to brand the communication efforts including a new website, soon to be developed and launched. The name Mega Mississippi was established and incorporated throughout all marketing materials. The website featured the new branded look, designed by The Cirlot Agency, and reflected updated information and statistics regarding Southeast Mississippi.

Among the many recommendations included in the plan, a top priority was to create a Business Development System to raise the awareness of offerings in Southeast Mississippi. This was accomplished through a series of direct mail pieces highlighting the strengths of the area.

Results: The Cirlot Agency understood many of the issues Mississippi Power Economic Development was facing, including the continuing need to build awareness of Southeast Mississippi, competing with the assets and incentive programs offered in contiguous states. The Cirlot Agency successfully positioned Mississippi Power Economic Development and Southeast Mississippi as the “location” answer to many companies who were looking to expand, relocate or open a new facility.

CREATIVE EXECUTION



MISSISSIPPI GULF COAST ALLIANCE

Situation Analysis: The Mississippi Gulf Coast Alliance is a partnership of three counties, Hancock, Harrison and Jackson. The purpose of the Alliance is to highlight the Mississippi Gulf Coast, which is part of the I-10 Corridor, an urbanized region that spans portions of four states. It has six contiguous metropolitan areas – seven under the 2003 federal definitions – composed of 20 counties. The region's infrastructure includes 150 federal and university research units, hundreds of innovation companies, research parks, incubators and more. The region also has a large and growing defense corridor with more than two-dozen bases. The largest defense contractors have operations, some of them multiple operations, along the 300-mile area between the Fort Walton Beach MSA and Baton Rouge MSA. A portion of the Mississippi Gulf Coast is also part of the I-59 Technology Corridor, which is anchored by the Stennis Space Center in Hancock County and crosses through Pearl River County on its way to Hattiesburg and beyond. The Cirlot Agency was hired to develop and execute an integrated communications strategy to raise awareness of offerings along the I-10 Corridor.



Integrated Strategy & Implementation: The Cirlot Agency held a two-day Strategic Planning Session with the Mississippi Gulf Coast Alliance to lay the foundation for current and future marketing plans. From the session, the Agency developed a comprehensive 18-month Economic Development Strategic Plan. Tactics employed included a new website, trade show materials, brochures, as well as a Business Development System.

Results: Efforts from the launch of the 18-month strategic plan, to current time, have resulted in a massive awareness of the I-10 Corridor to the target audiences of MS Gulf Coast Alliance resulting in new businesses growth located in the area.

CREATIVE EXECUTION



PROJECT CRYSTAL CLEAR

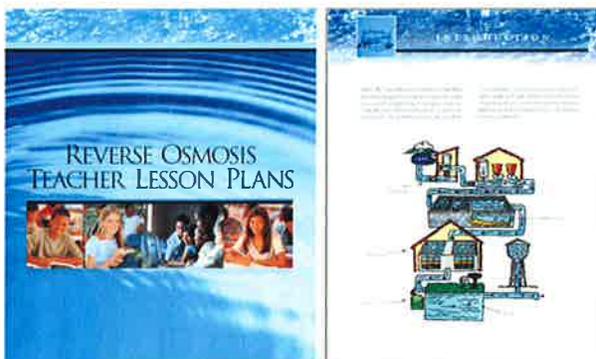
Situation Analysis: Rohm and Haas Company, one of world's largest manufacturers of specialty chemicals and salt, purchased an existing facility, which was subsequently found to have prior environmental offenses. Upon reaching a \$38 million settlement with the government, Rohm and Haas decided to pursue an alternative Supplemental Environmental Project (SEP), which would be the construction of a reverse osmosis plant designed to remove the naturally occurring excessive color, taste and rotten egg odor from the city's drinking water. The Cirlot Agency was called upon to handle the governmental affairs, news conferences, public education, live demonstrations and all other integrated communications efforts.



Integrated Strategy & Implementation: The Agency's initial strategy included planning and executing a Groundbreaking Event, at which then-Senator Trent Lott acted as keynote speaker, as well as creating and distributing a Reverse Osmosis Educational Program, featuring teacher lesson plans on reverse osmosis, to schools in the affected area. The Agency also implemented a governmental affairs strategy.

Results: The Cirlot Agency success-fully positioned Rohm and Haas as a positive corporate steward within the community. The Agency distributed the Rohm and Haas story and showed how the company turned a bad situation into a positive impact by investing in the community and providing the osmosis plant, giving people clear water for the first time. Also, nearly 3,000 students learned first-hand how the process of reverse osmosis works. One of the most important results was that the students did not learn through theory, but instead learned hands-on lessons with the kits Rohm and Haas purchased.

CREATIVE EXECUTION



GULF LNG CLEAN ENERGY

Situation Analysis: When Gulf LNG proposed the construction of a Liquefied Natural Gas (LNG) Terminal, various groups voiced their opposition and fear that this was a deadly substance. The Cirlot Agency was hired to educate the public and address any concerns and misinformation.



Integrated Strategy & Implementation: Tactics employed by the Agency included an Open House, where residents had an open forum to ask questions and voice concerns. A live community demonstration was also held, during which actual LNG was poured out and exposed to an open flame. This was considered the turning point of public opinion. Hundreds of thousands of citizens viewed the demonstration on the evening news, read the numerous newspaper accounts and saw the photos graphically illustrating the safety of LNG.

Results: The Cirlot Agency's contributions in guiding Gulf LNG through educating the public was deemed a success by not only the client, but was also cited by the Federal Energy Regulatory Commission as a "model of how to initiate and sustain a public awareness campaign."

CREATIVE EXECUTION



AEROSPACE ALLIANCE

Situation Analysis: The Aerospace Alliance hired The Cirlot Agency to develop and execute a communications strategy to establish the Gulf Coast region as a world-class aerospace, space, and aviation corridor. The first priority of the Aerospace Alliance was to help secure the KC-45 aerial tanker program for the region.



Integrated Strategy & Implementation: The Agency developed and implemented a social media strategy targeting industry media and key decision makers. For three months, multiple daily social media posts helped keep reporters and leaders “in the know” about the tanker program. The Agency also wrote white papers and feature stories about The Alliance and pitched them to nationwide media outlets. In addition, The Cirlot Agency created and placed television and radio spots, as well as print advertisements.

Results: The campaign was successful in establishing The Aerospace Alliance as the go-to resource for journalists seeking information on the KC-45 tanker program. Dozens of journalists followed all of The Aerospace Alliance’s social media pages and used those pages as contacts for more information.

CREATIVE EXECUTION



INTEGRATED COMMUNICATIONS CAPABILITIES

BRAND AND MESSAGE DEVELOPMENT

The Cirlot Agency takes a hard look at where our clients are ... and envision where we can take you. We bring every advantage to you to establish, enhance and protect your corporate image and position you in your marketplace. Simply put, we are business development strategists and consider ourselves our clients' strategic partner with the sole objective of creating demand for our clients' products and services.

The Cirlot Agency's brand development system is a proprietary process developed over a number of years. This process is led by the Agency's CEO, Liza Looser, who graduated with an advanced degree from Harvard Business School. Our branding process is the first step we take with any new account.

The Cirlot Agency's comprehensive Brand Development System offers strategic and creative methodology for bringing your vision to life. By exposing your potential, we turn your vision into actionable strategy that brings the brand ... and the DNA that makes it unique ... to life.

Over the years, The Cirlot Agency has amassed experience in branding products and services, as well as entire corporations. Also of note, we have been hired to facilitate this branding process by Fortune 100 to 500 companies all across the country.

For nearly three decades, The Cirlot Agency has helped companies of every size, from small businesses to major global corporations, find and define their identities/brands. We are adept at extracting the main differentiating factors of a business and creating a plan for sharing those differences with the business's various audiences. Put simply, we position companies for growth. We help businesses define how to compete in a given marketplace and give them the tools necessary to do so. This area of practice is a foundational necessity for most everything we do, which means we do it well.

The Cirlot Agency offers a proprietary, customized brand development program that differentiates an institution from its competition and establishes a foundation of communication strategy designed to increase momentum year after year. Brand management incorporates every aspect of marketing: research, strategic marketing planning, advertising, media placement, public relations, internal and external communications, training programs, etc. Our forté is coordinating all of these methods so that the client is positioned in the best possible light and the central line of communication is established and reinforced. It is also our responsibility to function as the watchdog of the brand. We constantly lend an objective eye to the brand, whether through continually updating research or by making sure there's a strand of consistency running throughout all communications elements, from the company's correspondence to its high-profile advertising.



PUBLIC RELATIONS

The Cirlot Agency has provided Public Relations Services for clients on a regional, national and international scale. These accounts include some of the largest publicly traded and privately owned businesses in the nation, such as Northrop Grumman Ship Systems, Raytheon Electronic Systems, and Bush Brothers & Company, as well as various public and private entities who require non-disclosure of information regarding public relations work done for them. Public Relations services offered by The Cirlot Agency include, but are not limited to the following: crisis management; media relations; media/press releases; video & audio news releases; media/press kits; feature articles; spokesperson training; political elections; industry/trade communications; consulting; speechwriting; government/legislative communications; new product/service introduction; new market introduction; corporate culture development; internal communications plans; employee benefit communications; corporate standards manuals; employee training/incentives; and newsletters.

SOCIAL MEDIA

Social Media is as much about where to find your audience (which outlets are they frequenting) as it is what to say to them. The Cirlot Agency evaluates the demographics of each social network and caters our strategy to best connect with our client's target audience. The strategy includes a calendar of scheduled non-time-sensitive posts, an audience growth strategy and a governance document to explain how to connect and communicate through each social media channel.

DIGITAL MEDIA/WEB

The Cirlot Agency takes a fully integrated approach to interactive strategies with the goal of driving traffic to a branded easy-to-navigate website, which results in connecting with prospects and influencers. To provide our clients with the most recent, cutting-edge tools, our team of experts remains abreast of the latest trends regarding online integrated communications. The Cirlot Agency's expertise in developing and executing integrated interactive strategies gives our clients an advantage in each one's respected industry.

RESEARCH

Understanding that all organizations are unique, The Cirlot Agency will take a hard look at how Mississippi Power is perceived among its audiences, administration and staff. The Cirlot Agency will evaluate, track and monitor exposure, impressions and the overall success of all communication efforts. Additional market research to track market positioning through consumer awareness will also be conducted on a regular basis.



REPUTATION MANAGEMENT

A detailed reputation/crisis management plan must be in place for Mississippi Power to successfully handle unforeseen events. The Cirlot Agency will create a plan that covers the proper responsibilities and actions of management, as well as Mississippi Power employees in the event of a crisis. The Cirlot Agency will also work with Mississippi Power to develop and deliver messaging needed to keep Mississippi Power's reputation in highest regard, including online avenues such as social networks, forums, blogs and other forms of online communication and information sharing.

GRASSROOTS

The true definition of a grassroots effort is, "a movement that is natural and spontaneous." The Cirlot Agency knows that, unlike a video on the Internet that "goes viral," grassroots efforts don't just happen. Great grassroots efforts are based on solid strategic plans that contain executable initiatives. The Cirlot Agency has managed grassroots efforts for clients in the medical industry, industrial chemical industry, defense industry and for economic development projects, just to name a few. Those efforts have been executed on a regional level, community level, neighborhood level and, at times, on a street-by-street level. While working with community leaders, community activists and federal regulatory agencies, The Cirlot Agency has planned and executed intricate efforts without drawing attention to ourselves.

ADVERTISING

The Cirlot Agency takes a targeted approach to all avenues of advertising to ensure the right message and outlet is utilized. As a full-service agency, we are adept at conceiving, producing, executing, and distributing all forms of advertising from print, to broadcast, to web.

MEDIA SUPPORT

STRATEGIC MEDIA BUYING AND PLANNING

The Cirlot Agency's media staff has over 80 years of combined experience in placing media across the globe. Not only have we placed media on a statewide, regional, national and international scale, but, more importantly, we have built long-lasting media relationships with pertinent individuals that provide us with the resources we need to place media effectively and efficiently for our clients. The Cirlot Agency uses an analytic, ROI-driven approach to media buying and is dedicated to improving our clients' marketing and advertising campaigns by applying a combination of customized, creative media objectives and strategies with effective executions. The Cirlot Agency specializes in negotiation of ad rates and placement, in addition to important sponsorship opportunities. Our combined leverage, relationships, experience, and negotiation expertise make it possible to secure placement in both a timely and cost-efficient manner.



CREATIVE DEVELOPMENT

ALL ADVERTISING

From concept to execution, The Cirlot Agency's work is solid, effective and designed to communicate your message in a crystal-clear manner. Our work is revered ... it is rewarded ... but most importantly, it works.

Our strategy is based on a solid foundation – the brand. Armed with branding messages that speak directly to your audiences, the Agency's creative department discerns the best techniques to deliver those messages cogently, concisely and, of course, creatively.

COLLATERAL MATERIALS

The Cirlot Agency has created collateral materials, ranging from high-end corporate image pieces to workhorse spec sheets, for clients in a variety of industries. The Cirlot Agency manages all aspects of the development of collateral materials, from concept and design to production and delivery. As technology has evolved, these pieces have also evolved to now incorporate many advanced techniques including the use of QR codes and enhanced printing capabilities.

DIRECT MAIL

The Cirlot Agency's direct mail pieces provide creative and unique methods for connecting with the targeted audiences. Each piece will be designed with specific messaging to positively influence the consumer, as well as inform them of pertinent information regarding Mississippi Power.

PUBLIC RELATIONS

The Cirlot Agency's creative department consistently supports public relations efforts through supplying materials for press conferences, special events, public forums, etc. During larger events, such as the 2008 Presidential Debate at Ole Miss and the current Sanderson Farms Championship, the creative staff is involved from day one and brings its expertise to everything from ticket designs to step-and-repeat backgrounds and on-site environmental graphics.





**GREG
GILLILAND**

*V.P., DIRECTOR OF
INTERACTIVE MEDIA*

Greg oversees and implements Internet architecture, design and development; digital presentations and interactive creative. In addition, Greg acts as art director for select print and collateral works requiring advanced composited renderings.



**LYNDA
LESLEY**

*V.P., CREATIVE
DIRECTOR*

Lynda concepts, writes and executes creative work ranging from brochures and print ads to television commercials and interactive media for regional, national and international accounts.



**MEREDITH
CHASE**

*DIRECTOR OF BRAND
STRATEGY*

Meredith develops and executes integrated marketing programs that support brand growth, business development, and strategic priorities for defense and commercial corporations. She also works with media outlets throughout the U.S., Europe, Asia, the Middle East and Latin America.



**LISA
COMER**

*DIRECTOR OF
MARKETING SERVICES*

Lisa serves as the direct liaison between the client and the Agency's creative, market research, media and public relations departments to develop effective marketing results for her clients on time and within budget.



**LUKE
EATON**

*EXECUTIVE ART
DIRECTOR*

Luke executes creative concepts; brand and logo development; art direction; print ad, trade show and collateral material design and development; photo composites and retouching; video edit supervision; and interactive design.



**MARY
HAMPTON
NICHOLAS**

*PUBLIC RELATIONS
STRATEGIST*

Mary Hampton manages public relations efforts for multiple accounts, including writing and pitching stories, organizing and managing media relations, and developing integrated communication strategies.



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EH**GROUP**²₀
TOTAL IMMERSION STRATEGISTS

 **THE CIRLOT AGENCY**
INCORPORATED