



**ENERGY
NORTHWEST**

Facilities & General Services

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Energy Northwest Office Complex (ENOC) Facilities

✦ **Advanced Process Engineering Lab (APEL) Facility**

- FY12 90% occupancy. (FY11 = 93%)
- IsoRay leasing APEL Annex & High Bay - \$360K revenue / yr
- PNNL anchor tenant - \$1,225K revenue / yr
- InnovaTek has moved out

Multi-Purpose Facility (MPF) Facility

- FY12 95% occupancy in available space (FY11 = 95%)
- Bechtel National and B&N Enterprises - \$1,018K revenue / yr
- EN occupies about 35% of the 76,000 sq. ft. rentable space

Energy Northwest Office Complex (ENOC) Facilities

✦ Capital Development Corporation (CDC) Facility

- 100% occupancy
- Bechtel National - \$391K revenue / year

Financial Summary

Energy Northwest Office Complex

(Dollars in Thousands)

Description	Revenue	O&M Costs	Fixed O/H Costs	Gross Margin
Facilities				
APEL	\$ 1,653	\$ 1,329	\$ 266	\$ 58
CDC	391	327	42	22
MPF	1,024	1,039	208	(223)
Sub-Total Facilities	<u>3,068</u>	<u>2,695</u>	<u>516</u>	<u>(143)</u>
Capital / Miscellaneous				
APEL - Capital	\$ -	\$ 39	\$ 2	\$ (41)
MPF - Capital	-	25	2	(27)
Miscellaneous	-	10	2	(12)
Sub-Total Capital / Misc	<u>-</u>	<u>74</u>	<u>6</u>	<u>(80)</u>
Total	<u>\$ 3,068</u>	<u>\$ 2,769</u>	<u>\$ 522</u>	<u>\$ (223)</u>

Gross Margin - () Unfavorable

FTE support of the buildings was reduced about 1.5 FTEs in FY12

Financial Summary

Energy Northwest Office Complex-History

(Dollars in Thousands)

	FY08	FY09	FY10	FY11 LRE	FY12 Budget
Operating Facilities					
Revenue	\$3,214	\$3,187	\$3,072	\$3,091	\$3,068
Costs: O&M	2,068	2,481	2,508	2,478	2,695
Fixed Corp & E/BS O/H	573	502	556	471	516
Total Costs	2,641	2,983	3,064	2,949	3,211
 Gross Margin	<u>\$ 573</u>	<u>\$ 204</u>	<u>\$ 8</u>	<u>\$ 142</u>	<u>\$ (143)</u>
 Capital / Miscellaneous	\$ 541	\$ 198	\$ 9	\$ 213	\$ 80

Gross Margin - () Unfavorable

Note: Fixed Overheads charged to the buildings during this time was about \$2.6 million

General Services

✦ Calibration Services

- Hanford Calibration Services on one year extension of a contract that ends September 30, 2011. Assuming we continue to provide the service, FY12 revenue will decrease to \$961K due to reduced number of items to be calibrated and we expect a 15% to 20% negotiated price reduction.
- CGS Calibration Services FY12 revenue = \$1,875K with Margin = \$0
- Commercial Calibration Services FY12 revenue = \$795K; Bechtel revenue \$220K / yr.
- There was an FTE reduction of 1.5 FTEs in FY12

✦ Environmental Services

- CGS Environmental services FY12 revenue = \$1,644K with Margin = \$0.
- Commercial Environmental Services FY12 revenue target is \$315K.

General Services

✦ Information Services

- Broadband Services - Co-location services in APEL
\$49K Revenue with Margin = \$13K
- Telecom Services - Bechtel National in CDC, MPF & Main
\$136K Revenue with Margin = \$25K
- Rattlesnake Mountain O&M – Combined
Community Communication Facility (CCCF) on Rattlesnake
Mountain; \$200K Revenue with Margin = \$0
- There was an .6 FTE reduction in FY12

NoaNet Debt Services

- Reduced from \$68K Actual in FY11 to \$58K in FY12

Financial Summary - General Services

(Dollars in Thousands)

<u>Description</u>		<u>Revenue</u>	<u>Costs</u>	<u>Gross Margin</u>
Operations				
Calibrations Services	A)	\$ 3,631	\$ 3,478	\$ 153
Environmental Services		2,032	2,032	-
Information Services		385	347	38
Sub-Total Operations		<u>6,048</u>	<u>5,857</u>	<u>191</u>
Capital / Miscellaneous				
Calibrations Services	A)	\$ -	\$ 106	\$ (106)
Environmental Services	A)	-	15	(15)
NOA Network Debt Service	A)	-	58	(58)
Sub-Total Capital / Misc		<u>-</u>	<u>179</u>	<u>(179)</u>
Total		<u>\$ 6,048</u>	<u>\$ 6,036</u>	<u>\$ 12</u>

Gross Margin - () Unfavorable

A) Budget Book Reference: BDF Tab, Table 2, Page 6 for the FY2012 Budget

Financial Summary

General Services - History

(Dollars in Thousands)

	FY08	FY09	FY10	FY11 LRE	FY12 Budget
Operating Facilities					
Calibrations Services					
Revenue	\$3,443	\$3,521	\$3,600	\$3,970	\$3,631
Costs	3,023	3,154	3,082	3,110	3,478
Gross Margin	\$ 420	\$ 367	\$ 518	\$ 860	\$ 153
Environmental Services					
Revenue	\$2,172	\$2,019	\$1,885	\$1,938	\$2,032
Costs	2,143	1,853	1,707	1,821	2,032
Gross Margin	\$ 29	\$ 166	\$ 178	\$ 117	\$ -
Information Services					
Revenue	\$ 213	\$ 199	\$1,215	\$ 943	\$ 385
Costs	109	79	1,107	839	347
Gross Margin	\$ 104	\$ 120	\$ 108	\$ 104	\$ 38
Capital / Miscellaneous					
Calibrations Lab	\$ 98	\$ 83	\$ 182	\$ 172	\$ 106
Environmental Lab	72	27	39	67	15
NoaNet	279	186	112	68	58

Gross Margin - () Unfavorable



**ENERGY
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Industrial Development Complex

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Industrial Development Complex (IDC)

✦ IDC Facilities Leasing

- 85% Occupied
- FY12 revenue target is \$1,081K; 42% increase over FY11 Budget due to more Washington Closure Hanford revenue
- Current tenants are Washington Closure Hanford, Energy Solutions, Layne Christiansen, Blue Grass Co., and CGS

✦ Reuse Funding

- FY12 = \$180K to be used for infrastructure maintenance/repair and prepare facilities for leasing.

Industrial Development Complex (IDC)

✦ Fixed Maintenance Costs

- Facilities & equipment maintenance, DOE lease, state licensing, utilities
- FY12 Fixed Maintenance Net Cost Budget = \$220K; This is less than the FY11 Original Budget of \$249k.

✦ Variable Costs (cost will eventually go away)

- FY12 Variable Costs = \$81K;
- EFSEC fees \$20K; decrease of \$10K below FY11 due to completion of site certification agreement

Industrial Development Complex

Summary of Costs

(Dollars in Thousands)

Description		Revenue	Costs	Gross Margin
IDC Leasing (BU08)	A)	\$ 1,081	\$1,021	\$ 60
Reuse Funds (BU01)	B)		180	(180)
Variable Costs (BU01)	B)		81	(81)
Fixed Costs (BU01)	B)	200	420	(220)
Net IDC		<u>1,281</u>	<u>1,702</u>	<u>(421)</u>

Gross Margin - () Unfavorable

A) Budget Book Reference: BDF Tab, Table 2, Page 6 for the FY 2012 Budget

B) Budget Book Reference: WNP1 Tab, Table 1, Page 4 for the FY 2012 Budget

Industrial Development Complex History

(Dollars in Thousands)

	FY08	FY09	FY10	FY11 LRE	FY12 Budget
Gross Margin					
IDC Leasing	\$ 143	\$ 77	\$ 162	\$ 228	\$ 60
Reuse Funds	(275)	(159)	(140)	(696)	(180)
Variable Costs	(100)	(39)	(118)	(64)	(81)
Fixed Cost	(136)	(123)	(85)	(142)	(220)
Total IDC Gross Margin	<u>\$(368)</u>	<u>\$(244)</u>	<u>\$(181)</u>	<u>\$ (674)</u>	<u>\$(421)</u>

Gross Margin - () Unfavorable

Note: Without the leasing business IDC loss would have been \$1.7 million more over the five year period reported.