



Enhanced-Use Lease Central Utility Plant

Fort Detrick, Maryland

Facility Background

In response to the September 2001 terror attacks, President Bush approved a multi-agency directive entitled *Biodefense for the 21st Century*, which establishes our country's National Biodefense Strategy. A formal interagency partnership emerged from the National Biodefense Strategy planning activities; and through that partnership a significant biodefense development would be undertaken—the 100-acre National Interagency Biodefense Campus (NIBC) located at Fort Detrick, Maryland. Fort Detrick was chosen by this interagency partnership to host the NIBC for several reasons:

- Historic and ongoing expertise in biodefense and medical research
- Availability of well-suited land
- Ability to provide a discreet and secure environment
- Close proximity to Washington DC-based headquarters

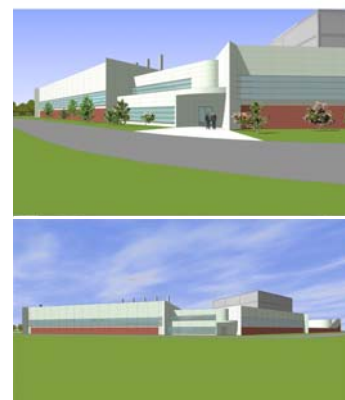
The U.S. Army Medical Research Institute for Infectious Diseases (USAMRIID), the largest Biosafety Level 4 (BSL-4) research laboratory in the world, is also located at Fort Detrick, along with the National Cancer Institute (NCI-Frederick), the largest research facility of its kind in the country.

Project Background

Once a location for the NIBC was determined, the government decided that a new central utility plant (CUP) would be required to serve the needs of the new laboratory facilities that would be built at Fort Detrick as part of the NIBC initiative. It was also decided that

the CUP would be located, developed, and operated on underutilized property using the U.S. Department of Defense's (DoD) Enhanced-Use Leasing (EUL) authority. This authority enables Fort Detrick to enter into a long-term lease with a private sector developer who will finance, construct, own, and operate the CUP.

In April 2005, after an extensive competitive process involving a number of teams from national energy services and development



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CUP At A Glance

- Capital cost: \$100 million
- Completion date: 1st quarter 2008
- Scope of Work:
 - 197,000-PPH steam plant
 - 3,550-ton chiller plant with 27,000-ton-hour thermal energy storage
 - 14-MW diesel UPS system
 - 100,000 gal, #2 diesel fuel back-up

Enhanced-Use Lease Central Utility Plant (continued)

companies, Fort Detrick and the Baltimore District Office of the U.S. Army Corps of Engineers selected Chevron Energy Solutions (ES) and Keenan Development Associates, LLC (KDA), to develop and implement the CUP to serve the NIBC and other regional users.

KDA, through Keenan Fort Detrick Energy LLC, (Keenan), is leasing the project land from Fort Detrick, and will own the CUP. Keenan will sell the CUP-produced energy to the Army through a separate energy services contract. Chevron ES is designing and building the CUP and will operate it over the term of the contract.

Scope of Work

The CUP will be the first energy project established through DoD's EUL authority. When completed in early 2008, the new, energy-efficient plant, which will be fueled by natural gas, will deliver highly reliable steam, chilled water, and high-quality/conditioned stand-by emergency power to the NIBC. The plant will support some of the highest level bio-safety containment laboratories in the world: the National Institutes of Health's National Institute of Allergy and Infectious Diseases Integrated Research Facility (NIAID IRF), the Department of Homeland Security's National Biodefense Analysis and Countermeasures Center (NBACC), U.S. Army Medical Research Institute of Infectious Diseases (USAMRIID), and Fort Detrick's Steam Sterilization Plant.

Benefits

Chevron ES, on behalf of Keenan, will guarantee 99.999% availability on each electrical feeder and provide electricity that meets the internationally-recognized power quality standards of the Information Technology Industry Council (ITIC) and Computer and Business Equipment Manufacturers Association (CBEMA). Chevron ES will also guarantee 99.99% availability for CUP-generated and distributed chilled water and steam. Chevron ES' stringent operational requirements will ensure the seamless delivery of high-quality energy commodities on behalf of the CUP owner and in support of the federal government's biodefense mission and national security.