

Predominant Use Study Experts



PARTIAL LIST OF CLIENTS NATIONAL UTILITY SOLUTIONS HAS PERFORMED STUDIES FOR:

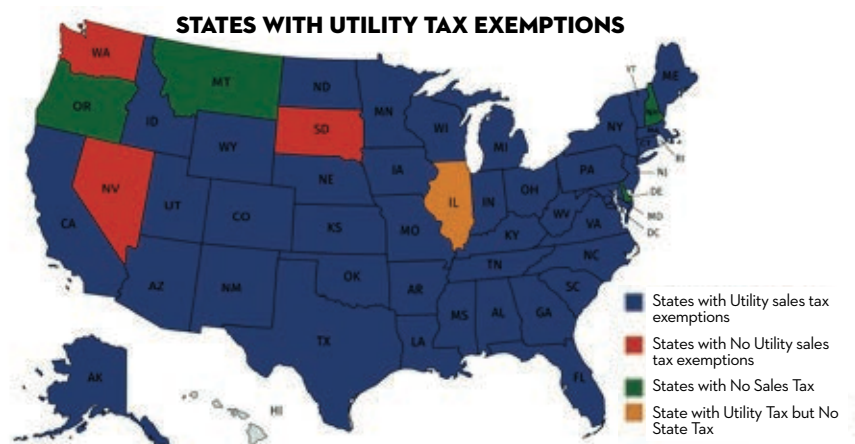
- Dominos Pizza
- Westlake Chemical
- Sodalis Elder living
- Mezban Food
- Index Fresh
- C&D Scrap Metal
- General Dynamics
- Sunstate Equipment Rentals
- Texas Bindery
- Iowa Laser Technology
- Rockland Manufacturing
- VT Industries
- Owen Industries
- Trinkote Industrial Finishes
- Kopy Depot
- Ideal Steel
- Sanderson Farms Chicken
- BK Feed Mill
- Midland Certified Reagent Company
- Intech Aerospace
- Independence Corrugated
- Tru Stone Technologies
- Rush Overland
- Anfinson Farms
- Reine Packaging Spt
- Knox Medical
- O'Neal Industries
- Papa Murphy's
- Advanced Rubber Moldings
- Besser Company

Headquartered in Kingwood, Texas, National Utility Solutions' core business is providing companies with sales tax relief for charges related to energy that is consumed in the process where any physical or chemical change is being made to a product ultimately going to market.

National Utility Solutions is celebrating our 7th year in business, having performed over 22000 predominant use studies across the following sectors:

- ▶ Manufacturing
- ▶ Processing
- ▶ Fabrication
- ▶ Mineral Extraction
- ▶ Rental Refurbishment
- ▶ Audio/Video Studios/Broadcasting
- ▶ Off Wing Jet Engine Repair
- ▶ Rolling Stock/Railroads
- ▶ Commercial Residential

A Predominant Use Study is an engineer report which analyzes the cubic foot consumption of each natural gas meter or kilowatt-hour consumption of each electric meter. When high enough percentages of the electricity and/or natural gas are used in qualified processes, companies receive additional cost containment benefits via utility sales tax exemptions (full, partial, or tiered according to the various State rules) and refunds (where available). States we can assist in potential sales tax relief are:



Arizona, Alabama, Arkansas, California, Colorado, Connecticut, District of Columbia, Florida, Georgia, Idaho, Indiana, Iowa, Kansas, Kentucky, Louisiana, Maine, Maryland, Massachusetts, Michigan, Minnesota, Mississippi, Missouri, New Mexico, Nebraska, New Jersey, New York, North Carolina, North Dakota, Ohio, Oklahoma, Pennsylvania, Rhode Island, South Carolina, Tennessee, Texas, Utah, Vermont, Virginia, West Virginia, Wisconsin and Wyoming

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THE BEST PROOF OF EXEMPTION REQUIRES A PREDOMINANT USE STUDY

NATIONAL UTILITY SOLUTIONS' working relationships with the State auditors, State Comptrollers, and Departments of Revenue have provided our clients with the industry's most successful track record in securing exemptions and refunds. Our Associates have performed studies for Lockheed Martin, General Dynamics, Rockwell Industries, Motorola, National Oilwell Varco, Raytheon, Burlington Northern, Texas Instruments, Oceaneering and Volkswagen. By providing an exceptionally high degree of personalized service, National Utility Solutions allows our clients to focus on their core business, thus relieving management of the financial and time-consuming burden of overseeing non-core activities.

National Utility Solutions' integrated teams of specialists apply their unique insights and resources through an

established process to relieve clients of the technical and legal obligations of filing for exemptions and refunds. Our results have repeatedly provided clients with substantial recoveries of previously paid sales taxes and secured future savings of sales tax obligations on energy usage for qualified meters. Our lead technician has over 28 years' experience performing and successfully defending predominant use studies with auditors and State agencies. We are the industry leader in maintaining a durable relationship with our clients to ensure compliance over the long term.

Materials or tangible property purchased for use in manufacturing, processing, or fabrication of a new or remanufactured product may be purchased "wholesale" or without taxation. Natural gas and electricity for this purpose may also be purchased "wholesale" if proof is established via

a predominant use study showing the exact percentage of each natural gas or electric meter's consumption that is directly used in causing a chemical or physical change to the product that will ultimately be sold. A Predominant Use Study must reflect the balance between consumed and inventoried usage. The study is an analysis of natural gas cubic foot consumption or electric kilowatt-hour consumption of each individual meter. Additionally, it must analyze the use of gas and/or electricity of each piece of equipment as well as the processing and non-processing function for equipment having dual usage. The computations may also need to be certified by a registered engineer from an accredited college of engineering where applicable. National Utility Solutions retains an in-house professional engineer.

In an era of financial and regulatory uncertainty, National Utility Solutions has developed the industry's preeminent approach in minimizing the risk to our clients as they navigate the complexities of securing sales tax exemptions and refunds.

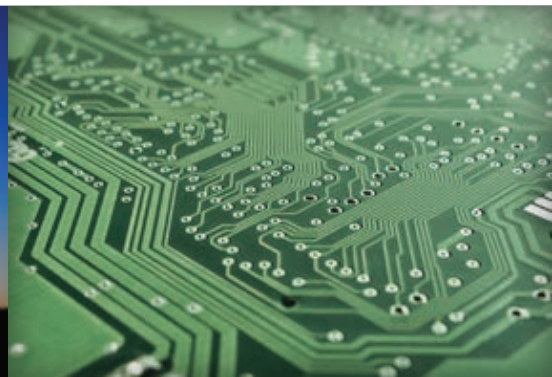
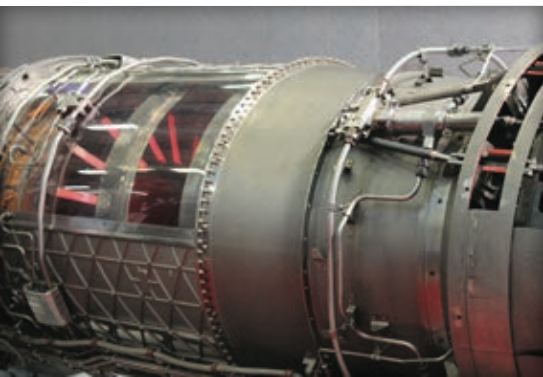
WE STAND ALONE AS THE INDUSTRY LEADER!



INDUSTRIES & CATEGORIES OF QUALIFYING COMPANIES

- ▶ Agricultural and Horticultural Operations- irrigation, feed lots, animal processing, fruit and vegetable growing & processing
- ▶ Assembly Plants
- ▶ Aviation and Aerospace- subsection includes off-wing jet engine repair
- ▶ Audio and Visual Studios- i.e. mastering, digitizing and dubbing of compact discs
- ▶ Bakeries, Food Preparation & Processing
- ▶ Beverage Bottling Plants
- ▶ Chemical Plants
- ▶ Concrete and Asphalt Production
- ▶ Duplicating and Copying
- ▶ Dairy and Poultry Operations
- ▶ Electrical Processes
- ▶ Engineering- any process which readies a product for sale including quality control
- ▶ Equipment Leasing- subsection Rental Refurbishment
- ▶ Nurseries
- ▶ Fleet Refurbishment- automobiles, trucks, heavy machinery, etc.
- ▶ Food & Beverage Processing- canning, cooking, packaging, slicing for bulk sale
- ▶ Golf Courses- cart rental and irrigation water pumps (rental refurbishment)
- ▶ Grain Processing
- ▶ High Tech Clean Room Facilities- i.e. microchip manufacturing
- ▶ Linen and Uniform Rental
- ▶ Manufacturing
- ▶ Mining Operations- processes including blasting, excavation, stripping, and sanding
- ▶ Oil and Gas Exploration and Refining
- ▶ Pipeline Operations- subsection includes transportation of raw material extracted from the earth
- ▶ Pharmaceutical- includes laboratories for internal testing purposes
- ▶ Printing and Publishing
- ▶ Railroad-repair of rolling stock and subsection includes power used in crossing signals

FOR SOME STATES, Other Qualified Electric and Natural Gas Exemptions Include Residential Facilities and Multi-family Housing, Retirement Facilities, Nursing Homes, Long Term Health Care Facilities, Assisted Living Facilities, Alzheimer Units, Homeowner Associations, Apartment Complexes, Townhomes, RV and Mobile Home Parks





OUR GUARANTEE

National Utility Solutions guarantees that predominant use studies performed by us are valid as of the laws in effect at the time the studies were performed. National Utility Solutions will answer any and all questions made by the State Comptroller's Office/Department of Revenue pertaining to predominant Use Studies, and will defend said studies throughout legal hearings if necessary.

Should said studies be found invalid under the rule in effect at the time the study was prepared, National Utility Solutions will return any money received for services rendered.

In addition to our guarantee, National Utility Solutions maintains a \$1,000,000.00 Professional (errors and omissions) insurance policy as well as a \$2,000,000.00 General Liability policy.



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