Alternative Energy Specialists

Memo

To: JPA Inc. Executive Staff

From: Alternative Energy Specialist Inc.(AES) Executive Staff

CC: Kim Newman

Date: 10/10/02

Re: Poland Wind Power Generation Proposal

Background

AES Inc is a market leader in alternative energy generation. We have over 25 years of experience in the Energy technology arena, and 15 years of experience with wind power generation. AES has been and will continue to be on the cutting edge of energy technology, and is dedicated to providing more environmentally friendly energy sources to the world. Wind power generation has grown at a rate of 27.75% per year over the last 6 years, and we have made significant contributions to that sustained growth effort. Concerns about climate change, fossil fuel supplies, and the need to sustain an increasing population have spurned a growing interest in wind powered energy. Wind energy reduces the amount of greenhouse gases released into the atmosphere, preserves fossil fuels for special uses, and helps poor rural countries to develop without resorting to technologies that cause high pollution rates. We are an American owned and operated company which specializes in two areas:

- Wind Power Generation
- Developing and refining Alternative Energy Sources

Executive Objectives

This project targets objectives which have technical, economic and environmental benefits.

Our desire is to be on the cutting edge of wind power energy generation technology. We hope to do this by providing JPA, an established and reputable Energy Generation company, with expertise in the area of wind power generation. The union of our companies in this joint venture will provide unlimited opportunities for growth in the future.

In establishing these wind powered generation farms we will display our commitment to protecting the environment from fuel emissions, while providing a needed service to the community.

We are prepared to assist you in the procurement, installation and operation of 22 wind turbines, which will produce the 16Mw of power that you have established as your goal.

Senior Personnel Staff

Dr. Kim Newman BS., Ph.D ...CEO

Dr. Dwayne Young BS., Ph.D Senior Electrical Engineer

Dr. Crystal Harris BS., MBA., Ph.D CFO

Dr. Angela Lemons BS. Ph.D ...Senior Mechanical/Environmental Engineer

Commercial Strategy

The commercialization of the Turbine farm will be accomplished in IV phases:

Phase I: Identify specific areas for the placement of the Turbine farm.

Phase II. Purchase of 22 , advanced Zond, Z 750kW series wind turbines.

Phase III. Along with your staff of engineers we will provide the cost analysis, design and layout of the new power plant mill farms.

Phase IV. Installation of Turbines.

Joint Venture areas of Responsibility

We Provide	JPA Provides
Subject matter expertise on sight location	Insight on local laws and regulations
Technical Support	Engineering/Maintenance Support
Financial Statement and Credit Rating	Financial Statement and Credit Rating
Installation of Turbines	Liaison person for procuring necessary land

Management

This joint venture has unlimited opportunity for success and growth for both JPA and AES. We agree that an 8 member executive board should be established; our proposal for the make up of that board is as follows: Corporate Personnel

- JPA provides (1) Chief Executive Officer
- AES provides (1) CFO
- JPA Provides (1) COO
- JPA Provides (1) technical expert
- AES Provides (1) technical expert

Location

We have designated two cities in the Northern/Central portion of the country as proposed sites for the turbine farm. The City of Olsztyn is the first choice because of it s location. This city is more centrally located and further away from the coast. The 2nd choice is the city of Gdansk which is located on the northern most portion of the country in close proximity to the Baltic Sea. Both cities possess favorable wind conditions for establishing a wind farm.

Moorhead Public Service, located 250 miles northwest of Minneapolis, chose an arctic model wind turbine generator from NEG Micon for its "Capture the Wind" green power program. (Photo courtesy of NEG Micon)

Site Specifications

Approximately 20 acres of land will be required to properly establish the turbine farm site. The picture above is an example of what the wind farm will look like upon its completion. Our plan is to model the polish turbine farm after the green power program that is located near Minneapolis, Minnesota in the United States. As you can see the site is aesthetically pleasing and should meet very little resistance from those who are concerned about the aesthetics.

TOP WIND MARKETS

Country	1998 MW Additions	1998 MW Year-end Total	1999 MW Additions*	1999 MW Year-end total
Germany	793	2,872	1,200	4,072
United States	193	1,770	732	2,502
Denmark	310	1,433	300	1,733
Spain	368	822	650	1,722
India	82	1,015	62	1,077
United Kingdom	10	334	18	534
Netherlands	50	375	53	428
China	55	224	76	300
Italy	94	199	50	249
Sweden	54	176	40	216

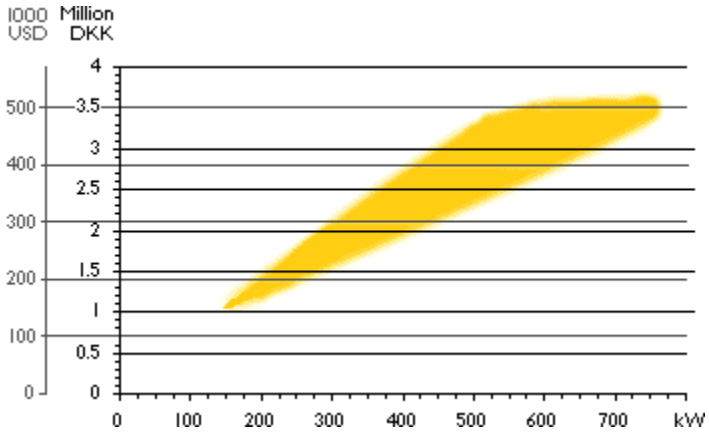
*Values for U.S., UK, China, India and Netherlands are final. Estimates for Germany, Spain and Denmark are confirmed. Italy and Sweden are unconfirmed estimates. Additions only include projects that are installed and operating by the end of the calendar year. U.S. figures are net of retired projects.

Source: American Wind Energy Association

*Values for U.S., UK, China and Netherlands are final. Estimates for Germany, Spain and Denmark are confirmed. Italy and Sweden are unconfirmed estimates. Additions only include projects that are installed and operating by the end of the calendar year. U.S. figures are net of retired projects.

Source: American Wind Energy Association

Cost Chart



Cost

In order to generate the required 16Mw of energy we will need to purchase 22 of the 750Kw turbines. The price of these turbines fluctuates between 400,000 and 500,000 US dollars. The installation fee is typically between $100,000 to $150,000. The cost will be approximately $650,000 per unit. The installation fee includes heavy equipment cranes that will be necessary for installation, paving of road ways leading into the turbine farm, and the transport of the turbines.

Life Expectancy

The life expectancy of a turbine is typically 20 years. Turbines typically require low maintenance, so we will train your technicians to do repairs, and perform preventive maintenance on the turbines. We will also provide technical support throughout the life expectancy of the Turbines.

Conclusion

We thank you for the opportunity to present you with our proposal and look forward to making our Joint Venture a success.

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