

D. W. Nicholson

CORPORATION

Industrial Mechanization Contractors



January 25, 2007

DWN Job#15253-20
CP-04

Trent Cave
Napa-Vallejo Waste Management Authority
1195 Third Street
Napa, CA 94559-4545

Reference: American Canyon Microturbine Project – Contract #05-04
Change Proposal #4

Dear Trent,

Due to issues not in our control (i.e. preparation of the concrete pad base, installation of the concrete pad, and installations of the Microturbine Generators) DWN was delayed in performing the contract work. DWN is requesting labor escalation cost for the labor expended on the project.

Price includes:

1) Labor escalation up to 5/31/07.

D.W. Nicholson request a change order for a lump sum price of \$4,638.00

Please examine this proposal carefully and notify us immediately if you find any discrepancies between our proposal and the actual work. We appreciated this opportunity to be of service to you. Please feel free to call if you should have any questions or comments.

Sincerely,
D.W. NICHOLSON

A handwritten signature in black ink, appearing to read 'Alan Nielson', written over a horizontal line.

Alan Nielson
Electrical Division

CP-04