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May 6, 2009

Mr. Jim Leonard
Intech 21
21 Harbor Park Drive North
Port Washington, NY 11050

Subject: New Rochelle Housing Authority Fuel Consumption Analysis

Dear Mr. Leonard:

Per your request PowerCon analyzed the fuel consumption for the Hartley property managed by the New Rochelle Housing Authority for the period July 2004 to May 2008.

All fuel consumption records were provided by Intech 21; PowerCon was not provided original billing data. We compared the fuel consumption for the property on both a monthly and annual basis and corrected for heating degree-days (HDD). In the absence of HDD data for New Rochelle itself we used data from La Guardia Airport.

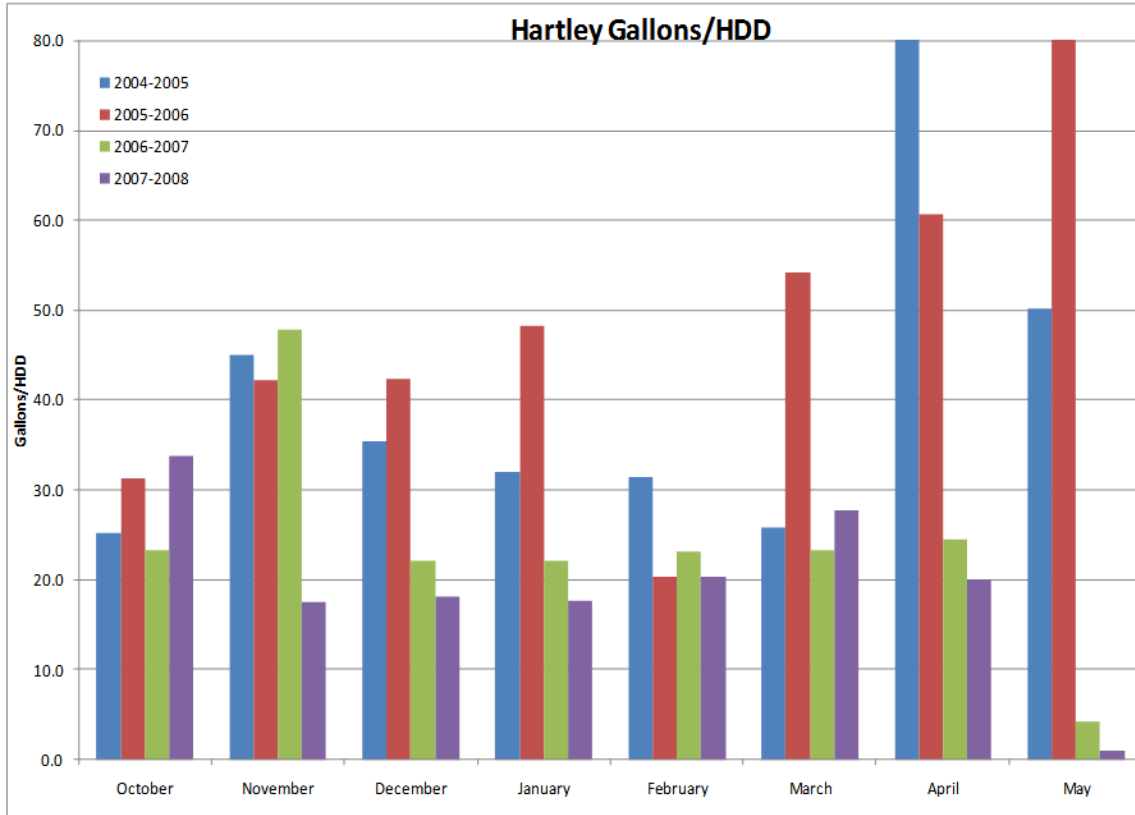
In order to estimate the fuel allocated to domestic hot water (DHW) during the heating season, we calculated the daily oil consumption during the summer and multiplied by 1.25 (per Fred Goldner's research). This was subtracted from the total oil consumption each month; the remainder is the estimated fuel consumption for space heating only.

The graphs on the following page show monthly gallons of #2 oil consumed per HDD from October through May for each of the four heating seasons in question. There is also a graph showing *annual* gallons per HDD from October through May for each heating season.

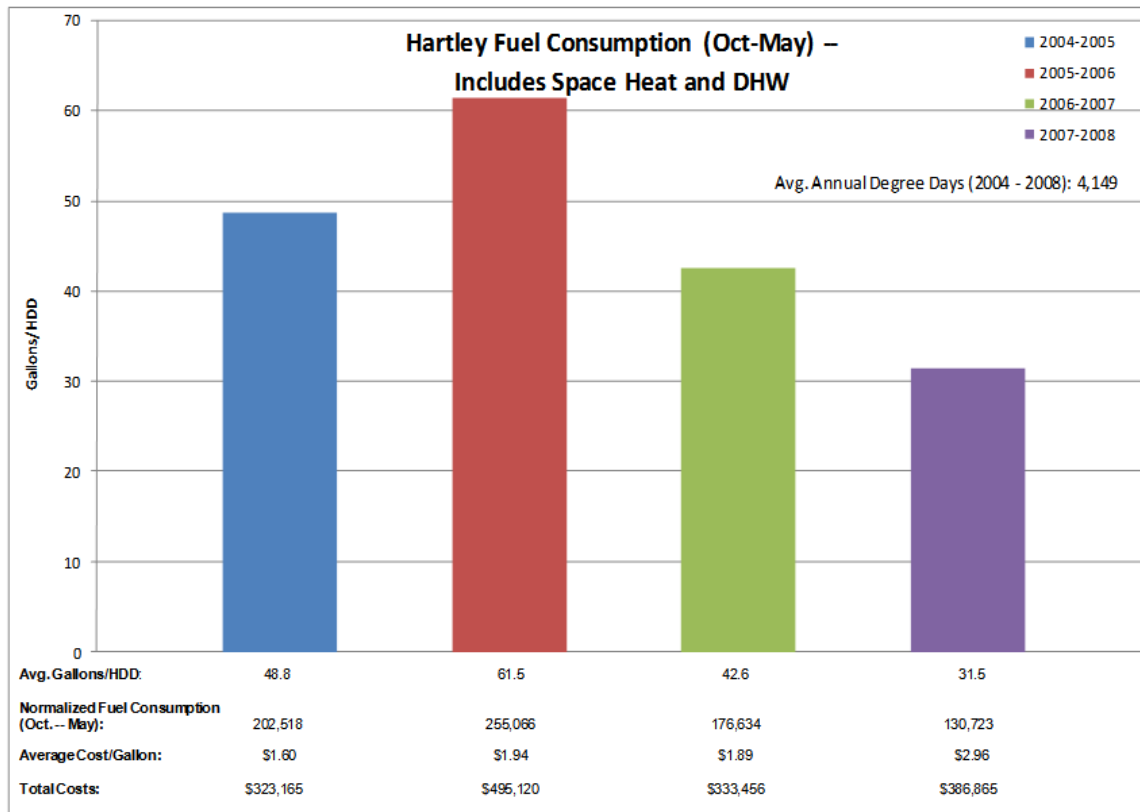
Oil consumption during the months of June through September is not included in the analysis because there is little or no space heating in those months.

On the basis of the data we have reviewed, it appears that space heating fuel consumption dropped dramatically from the levels of 2004-2005 and 2005-2006. You have indicated to PowerCon that an Intech 21 control system was installed at Hartley in March 2006.

The graphs on the following page summarize the results of our calculations:



According to your data, the Intech 21 control system was installed in March 2006



According to the data, the normalized fuel consumption dropped from 255,066 Btu/sq. ft. in 2005-2006 to 176,634 Btu/sq. ft. in 2006-2007, a reduction of approximately **30%**. The gains persisted into the 2007-2008 heating season as well, and in fact were even greater, but these additional reductions during 2007-2008 may be attributable in part to improvements in operations and maintenance.

We appreciate the opportunity to provide you with this analysis. Please let me know if you have any questions.

Sincerely,

Tom Sahagian

Tom Sahagian
Power Concepts, L.L.C.