

Additional costs resulting from the permitting process & the DOE loan guarantee process:

Category	Description
<p>Permitting Change: Low Impact Development (LID) Storm Water Analysis and Design</p>	<ol style="list-style-type: none"> 1. Additional work with BLM and CEC Staffs to analyze and achieve acceptance of this new concept in development 2. Exhaustive hydrologic and geologic analyses for impact to on site equipment, storm water runoff evaluations, infiltration sensitivities. 3. Required analysis of precipitation and storm water runoff patterns for entire northern Ivanpah Valley and the Clark Mountain Range 4. Revision to pylon insertion methods, including extensive testing and evaluation, as well as development of new custom equipment for insertion. 5. Redesign of mirror washing equipment. 6. Revisions to Drainage, Erosion, Sedimentation, and Control Plans 7. Revisions to Storm Water Pollution Prevention Plan 8. Offsite evaluation of vegetation impacts from flail mowing (LID key component)
<p>Permitting Change: Biological Mitigation Alternative & other changes to minimize impact</p>	<p><u>Design</u></p> <ol style="list-style-type: none"> 1. Required redesign of Ivanpah 2 and Ivanpah 3 towers and heliostat fields. 2. Required solar field optimization of Ivanpah 1. 3. Required redesign of Ivanpah 3 power block. 4. Required modification to some systems on Ivanpah 1 and 2 power blocks due to slightly increasing capacity 5. Required modifications to construction lay-down area 6. Required Amendments to LGIA documents
	<p><u>Environmental</u></p> <ol style="list-style-type: none"> 1. Required a complete new environmental review package including: <ol style="list-style-type: none"> a. photo simulations, b. air quality reanalysis for Ivanpah 3, c. comparison analyses on special status plants d. Comparison analyses on special status animals. <p><u>Economic</u></p> <p>Costs and revenue for PPA 2 were both negatively impacted by the change in site configuration, including the loss of economies of scale for development, construction and O&M (due to significant reduction in contract capacity, from 200 MW to 130 MW) and relative decrease in peak output subject to TOD adjustment. PPA 1 had a minor benefit from its increase in capacity from 110 MW to 118 MW, but a detriment to the change in delivery profile (reduced peak output subject to TOD adjustment).</p>
<p>Permitting Change: Additional Plant Surveys</p>	<p>Required to survey for additional species within and adjacent to project site.</p>

CONFIDENTIAL MATERIAL

Permitting Change: Additional Desert Tortoise Surveys	Surveys of translocation areas, and additional areas adjacent to the project site.
Permitting Change: BLM Reimbursement Costs	Extended permitting process resulted in additional BLM and BLM consultant (AECOM) costs.
Permitting Change: Resolution of Desert Xpress Conflict	Cost to address and resolve competing land use issue where high speed rail had targeted its route through ISEGS. This was not previously identified by BLM during application process.
Change Required for DOE Loan Guarantee: Major Expansion of EPC Contractor Role in Equipment Supply & Procurement	DOE insisted on Bechtel (EPC) management of all solar field equipment supply and procurement. DOE was comfortable with BrightSource remaining as subcontractor to Bechtel to supply solar field equipment.
Change Required for DOE Loan Guarantee: Third-Party Roles in Construction Management & Owner's Engineer	DOE insisted that an outside third-party be responsible for construction management and to act as the Owner's Engineer during construction. DOE was comfortable with BrightSource having a technical and engineer advisory services role during construction to support the third party Owner's Engineer.
Change Required for DOE Loan Guarantee: Increased Reserves	DOE is requiring BrightSource to carry double the amount of debt reserves for each project than had been planned.
Change Required for DOE Loan Guarantee: QA/QC, Consulting & Testing	DOE, through its consultant Parsons, insisted on additional QA/QC measures (such as ISO 9000 certification), consulting assessments and testing, which added unanticipated costs.
