The Detroit Thermal VOICE

FIRST QUARTER 2011

detroit thermal
A Detroit Renewable Energy LLC Company

DETROIT'S SOURCE FOR SAFE, RELIABLE, COST-EFFECTIVE DISTRICT ENERGY

WELCOME

Growing into our second century

Vic Koppang, president of Detroit Thermal LLC, will continue to lead the organization as it becomes a Detroit Renewable Energy LLC Company.

New corporate structure assures customers of our company's long-term stability

There is good news for Detroit's energy future, and we are very pleased to be part of it.

Detroit Renewable Energy LLC (DRE), a newly formed holding company, is now the parent company of Detroit Thermal.

We are excited by this change because it brings a new level of long-term stability to our business. That stability, in turn, assures our customers of the healthy future of our energy services. And it positions us to strengthen and grow our business in Detroit's core business districts.

As a result of the new arrangement, our customers can count on uninterrupted steam energy service. We now have assured access to steam produced by a renewable and sustainable fuel source, municipal waste. This reduces our dependence on fossil fuels and helps insulate us from the fluctuations of the natural gas market. Furthermore,

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Detroit Thermal has a new parent company: DRE

Detroit Renewable Energy serves current and future energy needs of city's core business districts

The recently formed holding company, Detroit Renewable Energy LLC (DRE), has become the new parent company of Detroit Thermal.

DRE, which was formed late last year will be headquartered in Detroit.

The new company is funded by Greenwich, Connecticut-based Atlas Holdings LLC, with the participation of Detroit Thermal's former parent, Thermal Ventures II, LP, of Youngstown, Ohio. Detroit Thermal is now an independent subsidiary of DRE.

Detroit Renewable Power LLC, which is the city's energy-from-waste plant, is another independent DRE subsidiary. Under the new arrangement, the Greater Detroit Resource Recovery Authority (GDRRA) will continue to supply the plant with the city's waste. Detroit Renewable Power will turn the waste into electricity that will be purchased by DTE Energy and steam — its primary product — that will be purchased by Detroit Thermal.

Hamtramck Energy Services LLC, which operates private industrial steam plants at five General Motors facilities, is a third independent subsidiary of DRE.

"Atlas Holdings LLC believes in the long-term future of Detroit's core business districts," said Ed Fletcher, partner, Atlas Holdings. "We are delighted to acquire these important assets which greatly strengthen Detroit's energy future."

Atlas Holdings has operations in the United States, Canada and Europe encompassing more than 50 facilities and employing approximately 4,500 people.

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WELCOME

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Parent company: DRE at a glance

Detroit Renewable Energy LLC is a consortium of energy generation and distribution companies, formed in 2010 to provide Detroit with safe, reliable and cost-effective energy generation and distribution as well as waste disposal. DRE comprises three independent operating subsidiaries. The creation of DRE involved the active cooperation of Detroit Thermal, the City of Detroit, GDRRA, the International Union of Operating Engineers Local 324, Utility Workers Union of America, AFL-CIO Local 223 and DTE Energy. (**www.detroitrenewableenergy.com**)

Detroit Thermal LLC provides safe and reliable heating, hot water and cooling services to more than 145 buildings, including more than 30 million square feet of space in the city's central business districts. The company operates steam generation facilities and maintains the district's underground distribution system, providing a cost-effective, capital-saving alternative to self-generation steam boilers, water chillers or other energy systems. (**www.detroitthermal.com**)

Detroit Renewable Power LLC formerly Michigan Waste Energy, produces energy at a facility located at Russell and Ferry streets. The plant converts as much as 3,300 tons of solid waste a day into refuse-derived fuel that is used to create 720,000 pounds of steam per hour. The facility reduces the city's reliance on landfills for disposing of solid waste. Steam produced at the facility has been part of the district energy system since the plant's inception. (**www.detroitrenewablepower.com**)

Hamtramck Energy Services LLC manages and staffs private industrial steam plants at several General Motors facilities. It provides management oversight as well as day-to-day operation and maintenance of boilers, chillers, compressors, wastewater treatment and auxiliary equipment. Hamtramck Energy Services is involved in GM powerhouses in Hamtramck and Flint, Michigan as well as in Shreveport, Louisiana.

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Growing into our second century

it helps the environment by lowering emissions.

Since Detroit Thermal took over the city's district energy system in 2003, we have invested more than $35 million in system improvements. Our commitment to constantly improving and upgrading our infrastructure and operations continues and will be enhanced as we continue to optimize the system's performance and environmental benefits.

During the first 100 years of its existence, Detroit's district energy system helped power the city's growth into one of the nation's major metropolitan centers. Now, as we begin the second century, we are positioned to continue that dynamic by providing long-term, safe, reliable, cost-effective and environmentally friendly energy services for many decades to come.

Full steam ahead,

Vic Koppang,
President, Detroit Thermal LLC

U.S. signs 10-year contracts for landmark buildings

Detroit Thermal will continue to heat historic courthouse, '70s office tower as government agency recognizes the many benefits of district energy

The Theodore Levin U.S. Courthouse and the Patrick V. McNamara Federal Building were

The imposing Levin Courthouse switched to district energy very early in its history.

built in different eras, in highly contrasting architectural styles, to serve different functions, but they share two important distinctions: Both have received TOBY (The Outstanding Building of the Year) awards from the Building Owners and Managers Association of Metropolitan Detroit (BOMA), and both are heated by Detroit Thermal.

And now, the U.S. General Services Administration (GSA), which owns and manages both buildings, has signed renewal contracts ensuring that both buildings will continue to be serviced by Detroit Thermal's steam network for the next decade.

"We are very happy with Detroit Thermal steam service," said Miranda Webster, contract specialist with the Michigan Service Center Procurement Team of the GSA. Webster coordinates the acquisition of energy for federal buildings in Michigan.

"Detroit Thermal steam is very reliable," Webster said. "It is a good product at a good price. And we are pleased that Detroit Thermal includes renewable sources in the energy it uses for steam generation.

"Renewable energy will be even more important in the years ahead," Webster continued. "We look forward to continuing our relationship with Detroit Thermal."

Together the buildings represent about 2 million square feet of space and are important components in Detroit Thermal's emphasis on retaining customers and strengthening its steam network.

"We are delighted that both the Levin Courthouse and the McNamara Federal Building will remain part of our system," said Scott Barr, Detroit Thermal director of business development. "These long-term contracts reaffirm the GSA's confidence in Detroit Thermal's district energy model."

A 1930s COURTHOUSE

The Theodore Levin U.S. Courthouse, located on West Lafayette, was constructed from 1932 to 1934 in the Art Deco and Neoclassical styles. However, parts of the building are much older. A courtroom from the U.S. Post Office, Courthouse and Custom House that was built on part of the site in the late 1890s was saved and incorporated into the 1930s structure.

Originally designed to be heated by on-site boilers, the building was switched to the district energy system very early in it's history, possibly even before it opened. In 1994, the building was named after the late Theodore Levin, a lawyer and United States District Court judge.

The Courthouse received a 2010-2011 TOBY Award from BOMA of Metropolitan Detroit.

A 1970s TOWER

The 27-story Patrick V. McNamara Federal Building, located on Michigan Avenue, was completed in 1976 to house a number of federal agencies. The building, designed by the Detroit architectural firm of Smith, Hinchman & Grylls (now known as SmithGroup),

The McNamara Federal Building was designed to be connected to the city's steam system.

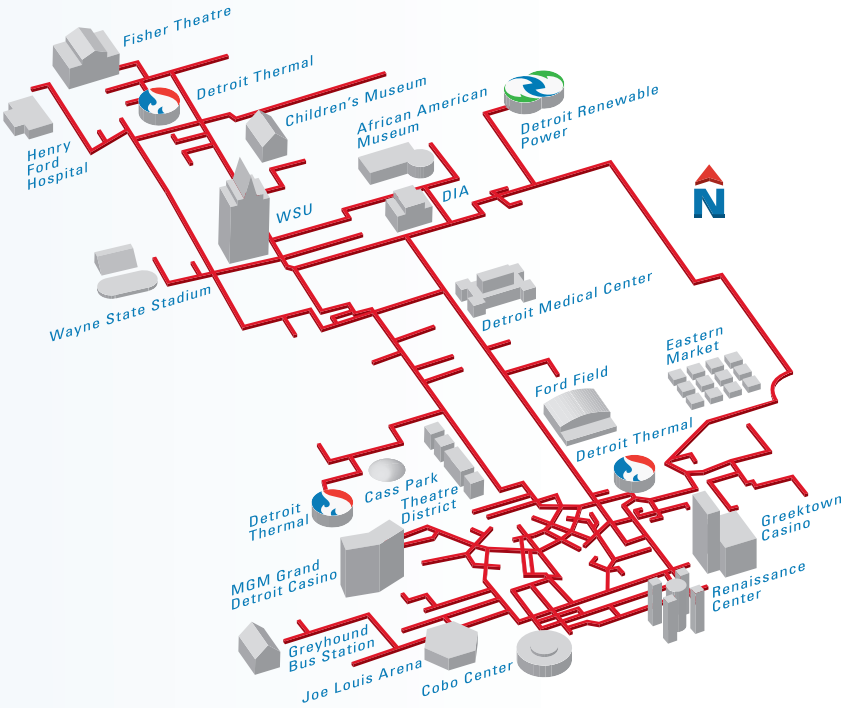
was constructed to be part of the district energy system. It features the Brutalist style of reinforced concrete with repeating motifs. It is named for the man who represented Michigan in the U.S. Senate from 1955 to 1966.

The McNamara building received a 2008-2009 TOBY award and ENERGY STAR® awards for energy efficiency in 2008 and 2009. ■

SERVICE AREA

Do you own a building along these lines?

If your business or building is planning to add or replace your heating and cooling system and you're located along the 39 miles of Detroit Thermal piping system, call Detroit Thermal, **313.963.3844** today. Learn more about the many advantages of district energy at **www.detroitthermal.com** ■



Detroit Thermal is:

- ✔ Safe
- ✔ Reliable
- ✔ Cost effective
- ✔ Environmentally friendly

Detroit Thermal is ideal for:

- ✔ New construction
- ✔ Building expansions
- ✔ Building renovations

Detroit Thermal provides safe, reliable, cost-effective heating services to more than 140 buildings in the city's central business district. Detroit Thermal is a Detroit Renewable Energy LLC company.

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