			Cost to retrofit one Issaquah class vessel to LNG
Design			$ 300,000
Construction			$ 6,400,000
CE			$ 200,000
OFE			$ 6,000,000
Contingency			$ 1,100,000
Total			**$ 14,000,000**

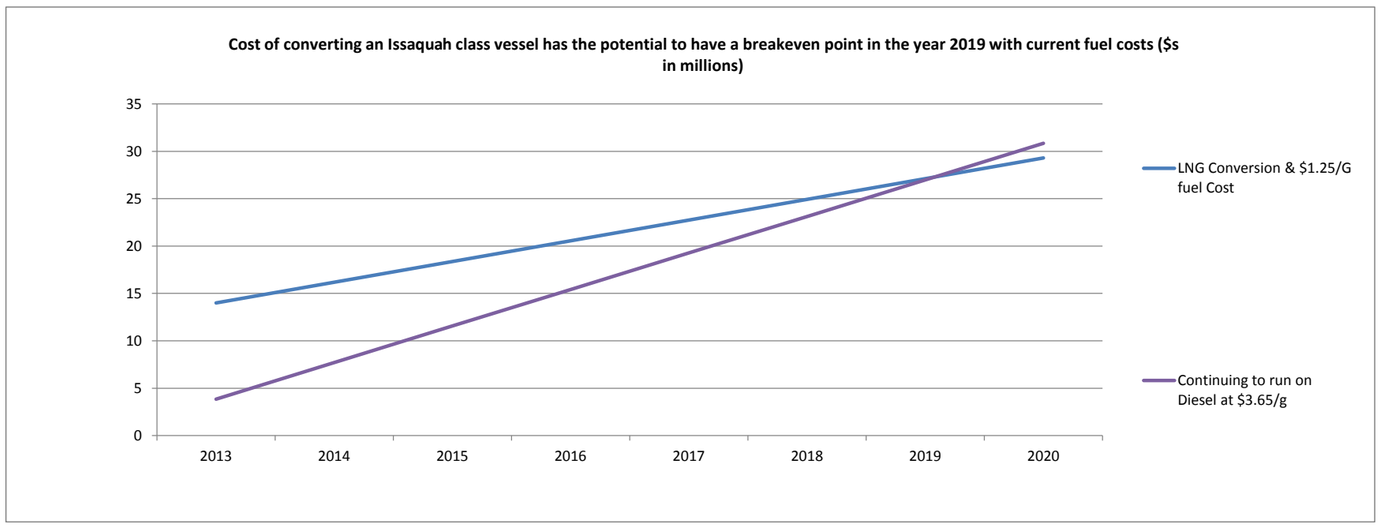
		Fuel Costs	gallons per year
$3.65	Diesel/Gallon	$ 3,854,400	1,056,000
$1.25	LNG/Per Gallon	$ 2,184,600	1,747,680
		$ 1,669,800	

$14M divided by $1.6M = years to pay off investment **8.4**

Converting an Issaquah class vessel at a cost of $14M has the potential to save $1.6M in fuel costs per year which would have break even point of 8.4 years. This could provide a 25% reduction in CO2 emmissions by using in LNG, and the elimination of sulphur oxides SOx, 95% reduction in nitrous oxides NOx, and the elimination of particulate emmisions on the gallons of diesel that we would be replacing with LNG. Similar savings can be achieved on other vessels in the class.

	2013	**2014**	**2015**	**2016**	**2017**	**2018**	**2019**	**2020**	**2021**
LNG Conversion & $1.25/G fuel Cost	$ 14.0	$ 16.2	$ 18.4	$ 20.6	$ 22.7	$ 24.9	$ 27.1	$ 29.3	$ 31.5
Continuing to run on Diesel at $3.65/g	$ 3.9	$ 7.7	$ 11.6	$ 15.4	$ 19.3	$ 23.1	$ 27.0	$ 30.8	$ 34.7

gallons per year			gallons per year	Fuel $ in Millions per year
$3.65	Desiel/Gallon	$ 3,854,400	1,056,000	$ 3.85
$1.25	LNG/Per Gallon	$ 2,184,600	1,747,680	$ 2.18



Assumptions:

Fuel consumtion based on the Bremerton route
Current Fuel prices diesel $3.85
Current Fuel prices LNG $1.25
$14M estimated cost for retrofit