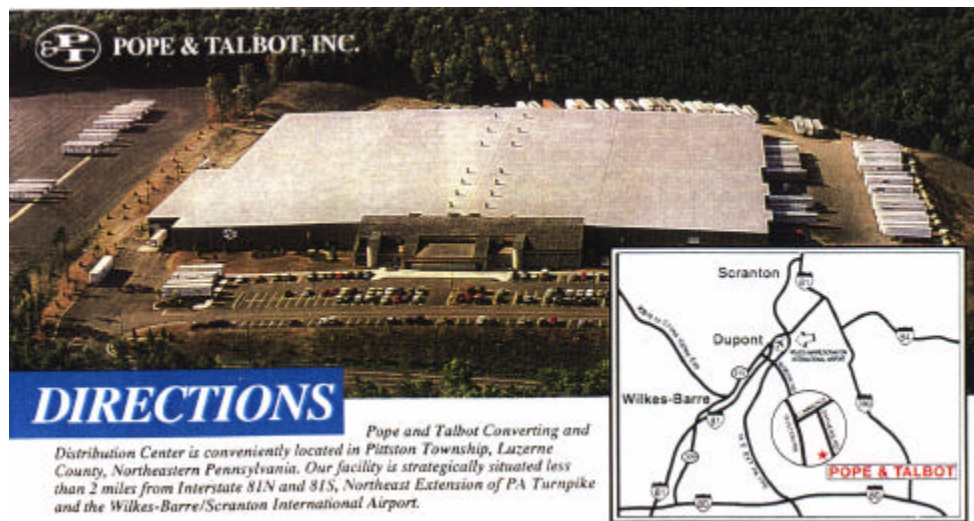


Therma-Slab Project Profile

Profile No. 101
July 30, 1998

Pope & Talbot



POPE & TALBOT INC. is the largest manufacturer of private-label paper products for the retail market in the United States. Their newest facility, the Converting and Distribution Center, is equipped with the latest manufacturing, production and heating technology.

The plant is a 278,700 square foot facility designed to take full advantage of their Therma-Ray Earth Thermal Storage (ETS) heating system. The heating system is comprised of individual heating panels installed in the ground beneath the concrete floor. The system warms the ground and creates a thermal storage basin. When the plant requires it, heat is automatically pulled from the storage basin through the concrete floor by way of radiant transfer. No fans or other mechanical means are required.

The ETS system was engineered to take advantage of the local utility's time-of-use, or

peak" rate. The entire heating system is charged during this time to take advantage of the lower electrical rate. The system also attracts no demand charge since 100% of the building's needs are met during the off-peak period. The net effect is greatly reduced energy consumption costs.

In addition to taking advantage of the off-peak rate, the ETS system provides additional benefits. Since the system is located below the concrete floor and there are no ducts or fans required, 100% of the floor space can be used for production and storage purposes.

Since the ETS system is a radiant system, the same degree of employee comfort is reached at lower operating temperatures as compared with conventional warm-air heating systems. The radiant advantage further reduces costs by requiring less energy without compromising comfort.

ADDITIONAL BENEFITS

Therma-Slab also provides:

- increased useable floor space (no radiators, baseboards or ducts)
- maintenance-free operation
- pollution-free environment
- substantially reduced heating costs compared to other systems
- very comfortable heating environment
- ability to zone areas to the customer's specification
- reduced demand loads by shifting heating demand to off-peak times (when demand is typically lowest)

Statistical Data

Heating Season	Actual kWh use	Actual Cost	kWh per square foot	Operating Cost per square foot
1992-1993	11,700	\$438.75	0.042	\$0.0016
1993-1994*	168,300	\$6,311.25	0.604	\$0.0226
1994-1995	12,600	\$472.54	0.045	\$0.0017
3-Year Average	64,200	\$2,407.51	0.230	\$0.0086

** = record low temperatures were recorded in the Pennsylvania area during 1993-1994 data supplied by Pennsylvania Power & Light*