ROCK-TENN
MODEL ASSUMPTIONS

Fuel Type	50% Oil 50% Natural Gas	75% Oil 25% Natural Gas	100% Oil 0% Natural Gas	0% Oil 100% Firm Gas	Wood Biomass	Wood Biomass	RDF
Boiler Technology	**Base Case - Existing System**				**Fluidized Bed**	**Gasification**	**Stoker**
Financial Assumptions							
Escalation Percentages							
Inflation %	**3.0%**	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%
Interest Earning Rate-Operations %	**4.0%**	4.0%	4.0%	4.0%	4.0%	4.0%	4.0%
Interest Earning Rate-Construction %					**3.0%**	3.0%	3.0%
Revenue Bond Financing							
Base Revenue Bond Interest Rate %					**9.0%**	**9.0%**	**7.5%**
Term					**20**	**20**	**20**
Total Construction Costs ($2008)					$101,893,000	$99,173,000	$160,496,000
Total Construction Costs					**$80,230,000**	**$78,088,000**	**$129,561,000**
Engineering					**$9,628,000**	**$9,371,000**	**$11,500,000**
Contingency					$12,035,000	$11,714,000	$19,435,000
Contingency on Construction Cost %					**15.0%**	**15.0%**	**15.0%**
Construction Cost Escalation %					**3.0%**	**3.0%**	**3.0%**
Total Construction Costs ($2010)					$108,098,000	$105,213,000	$170,269,000
Total Reserves and Capitalized Interest ($2010)					$30,983,000	$30,159,000	$39,501,000
Capitalized Interest Funding					$15,467,000	$15,056,000	$18,559,000
Required Reserves					$15,516,000	$15,103,000	$20,942,000
Total Financing Costs ($2010)					$2,553,000	$2,491,000	$3,720,000
Underwriter's Fees					$2,125,000	$2,068,000	$3,203,000
Issuer Fees					$178,000	$173,000	$267,000
Legal Fees					$175,000	$175,000	$175,000
Other					$75,000	$75,000	$75,000
Revenue Bonds (Investment Grade)							
Revenue Bond Interest Rate (Investment Grade)					**7.0%**	**7.0%**	**6.0%**
Total Reserves and Capitalized Interest ($2010)					$23,270,000	$22,650,000	$31,126,000
Capitalized Interest Funding					$10,640,000	$10,357,000	$13,255,000
Required Reserves					$12,630,000	$12,293,000	$17,871,000
Total Financing Costs ($2010)					$2,425,000	$2,369,000	$3,582,000
Underwriter's Fees					$2,007,000	$1,954,000	$3,075,000
Issuer Fees					$168,000	$165,000	$257,000
Legal Fees					$175,000	$175,000	$175,000
Other					$75,000	$75,000	$75,000
Revenue Bonds (Government Guarantee)							
Revenue Bond Interest Rate (Govt Guarantee)					**5.5%**	**5.5%**	
Total Reserves and Capitalized Interest ($2010)					$6,916,000	$6,732,000	
Capitalized Interest Funding					$6,916,000	$6,732,000	
Required Reserves					$0	$0	
Total Financing Costs ($2010)					$2,155,000	$2,104,000	
Underwriter's Fees					$1,758,000	$1,711,000	
Issuer Fees					$147,000	$143,000	
Legal Fees					$175,000	$175,000	
Other					$75,000	$75,000	
Fuel Assumptions							
Total Energy Output (MMBtu/yr)	**2,000,000**	**2,000,000**	**2,000,000**	**2,000,000**	**2,000,000**	**2,000,000**	**2,000,000**
Efficiency Percentage	**79%**	**79%**	**79%**	**79%**	**76%**	**79%**	**78%**
Total Energy Input (MMBtu)	2,531,646	2,531,646	2,531,646	2,531,646	2,631,579	2,531,646	2,564,103
Wood Fuel %					**95.0%**	**95.0%**	
RDF %							**88.0%**
Firm Natural Gas %	**0.0%**	**0.0%**	**0.0%**	**100.0%**	**0.0%**	**0.0%**	**0.0%**
Interruptible Natural Gas %	**50.0%**	**25.0%**	**0.0%**	**0.0%**	**5.0%**	**5.0%**	**12.0%**
No. 6 Fuel Oil %	**50.0%**	**75.0%**	**100.0%**	**0.0%**	**0.0%**	**0.0%**	**0.0%**
Wood Fuel (MMBtu)	0	0	0	0	2,500,000	2,405,063	0
Wood Fuel (Tons @ 9 MMBtu/Ton)	0	0	0	0	277,778	267,229	0
RDF (MMBtu)	0	0	0	0	0	0	2,256,410
RDF (Tons @ 11 MMBtu/Ton)	0	0	0	0	0	0	205,128
Natural Gas (MMBtu)	1,265,823	632,911	0	2,531,646	131,579	126,582	307,692
No. 6 Fuel Oil (MMBtu)	1,265,823	1,898,734	2,531,646	0	0	0	0
Fuel Price							
Wood Fuel					**$5.00**	**$5.00**	
RDF							**$0.00**
Firm Natural Gas	**$12.70**	**$12.70**	**$12.70**	**$12.70**	**$12.70**	**$12.70**	**$12.70**
Interruptible Natural Gas	**$11.30**	**$11.30**	**$11.30**	**$11.30**	**$11.30**	**$11.30**	**$11.30**
No. 6 Fuel Oil	**$9.88**	**$9.88**	**$9.88**	**$9.88**			
Fuel Price Escalation							
Wood Fuel %					**3.0%**	3.0%	3.0%
RDF %							3.0%
Firm Natural Gas %	**3.0%**	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%
Interruptible Natural Gas %	**3.0%**	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%
No. 6 Fuel Oil %	**3.0%**	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%
Other Operating Assumptions							
Annual Non-Energy Operating Costs ($2012)	**$2,589,000**	**$2,589,000**	**$2,589,000**	**$2,589,000**	$7,219,000	$9,474,000	$13,257,000
Staffing Costs ($2012)					**$2,513,000**	**$2,513,000**	**$3,306,000**
Maintance and Repairs ($2012)					**$1,407,000**	**$1,688,000**	**$4,516,000**
Replacement Costs ($2012)					**$563,000**	**$563,000**	**$1,806,000**
Electricity Cost Estimate ($2012)					**$1,126,000**	**$2,814,000**	**$1,126,000**
Other ($2012)					**$1,610,000**	**$1,896,000**	**$2,503,000**
Non-Fuel Operating Cost Per MMBtu (Output)	**$1.29**	**$1.29**	**$1.29**	**$1.29**	**$3.61**	**$4.74**	**$6.63**
RDF Payments							
RDF Payments $/ton							$16.00
RDF Payments							($3,282,051)
Emission CO2e Credit							
Emission Reductions Metric Tons CO2e					**176,592**	**169,319**	
Carbon Credit Revenue $/tCO2e					**$20.00**	**$20.00**	
Emission Reductions Revenue					($3,531,840)	($3,386,380)	
District Energy System Contribution							
District Energy System Contribution $/MMBtu	**$0.50**	$0.50	$0.50	$0.50	$0.50	$0.50	$0.50
District Energy System Contribution	($1,000,000)	($1,000,000)	($1,000,000)	($1,000,000)	($1,000,000)	($1,000,000)	($1,000,000)