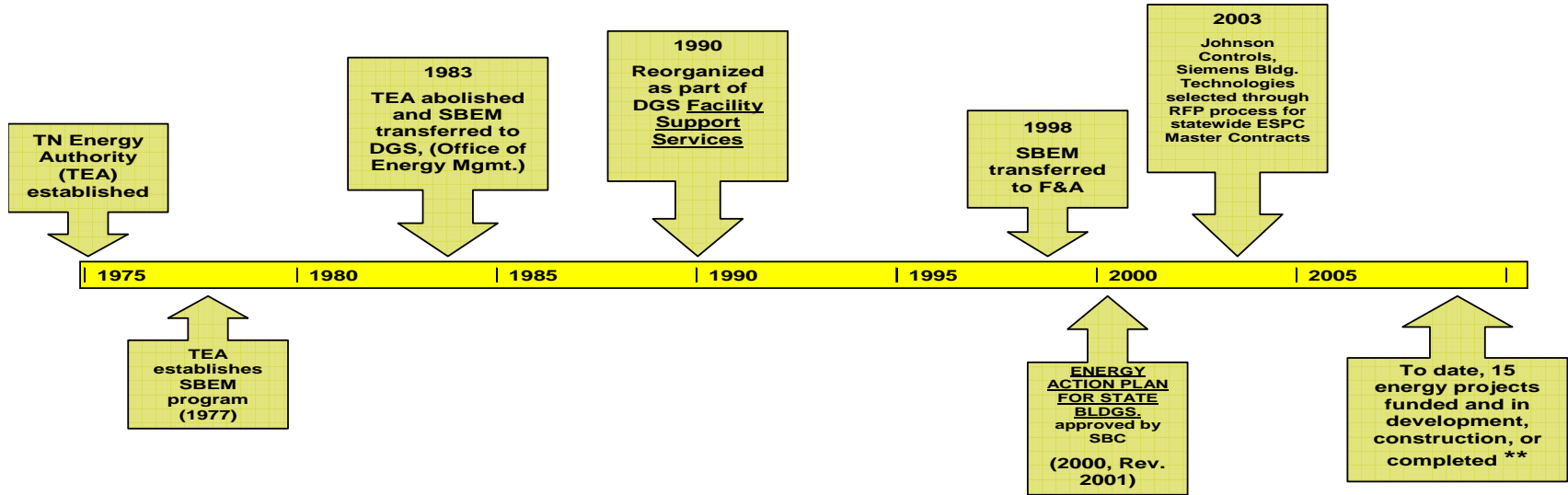


EVOLUTION OF ENERGY MANAGEMENT IN TENNESSEE STATE GOVERNMENT*

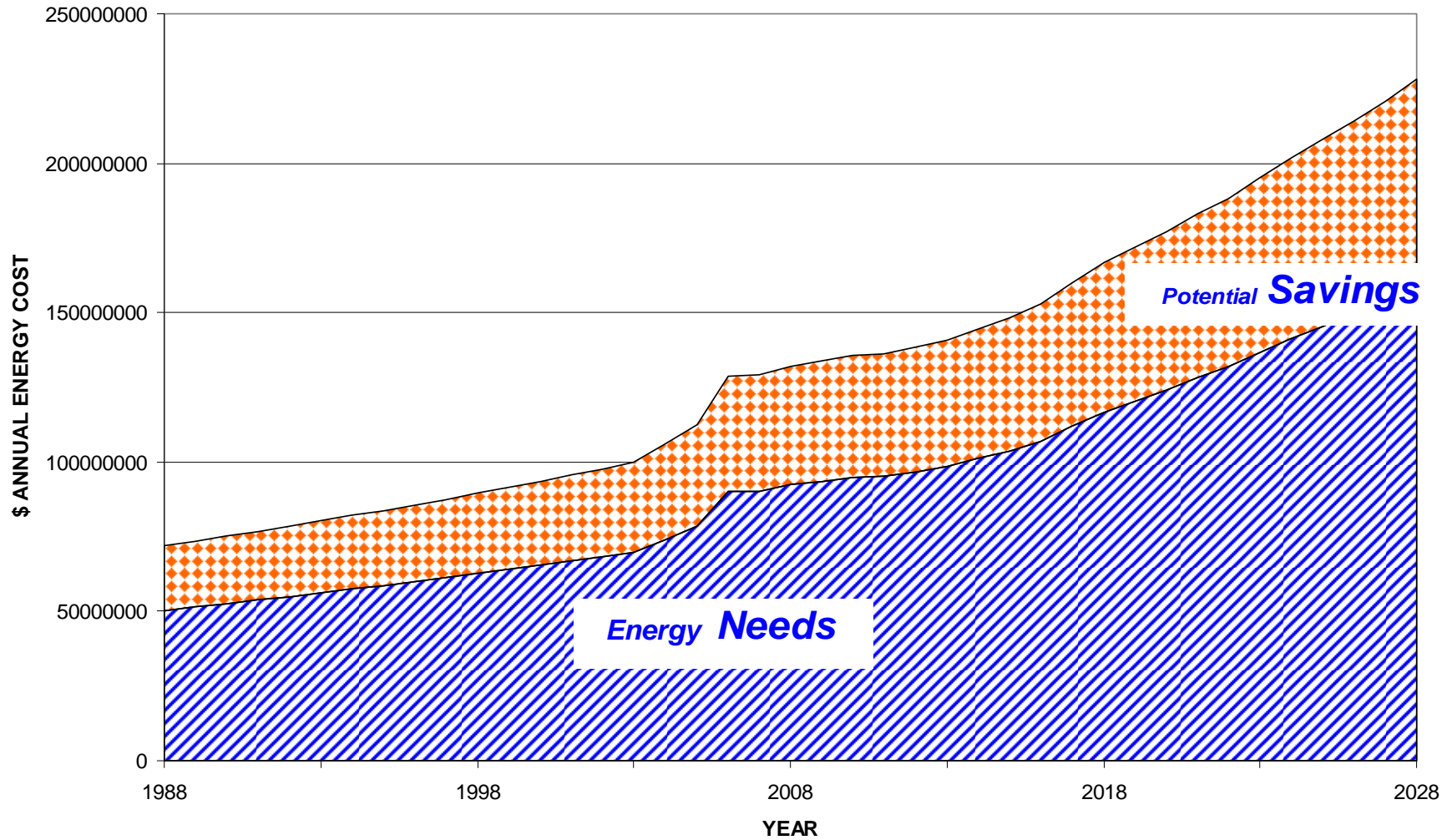


* General government only. Does not include activities of Tennessee Board of Regents, University of Tennessee.

** Exclusive of projects prior to implementation of performance contracting as part of the Energy Action Plan for State Buildings

STATE BUILDING ENERGY COSTS, ACTUAL & PROJECTED WITH ESTIMATED SAVINGS POTENTIAL

(Annual Escalation Factors: US Energy Information Administration)



**HYPOTHETICAL STATE BUILDING ENERGY COST REDUCTIONS
(\$20 MILLION INVESTED IN REDUCTIONS FOR THREE YEARS)**

