



QUARTERLY UPDATE

PROJECT UPDATES

The University of Kansas Hospital Central Utility Plant



The Central Utility Plant for the University of Kansas Hospital went into commercial operation in March 2006.

Cummins & Barnard was responsible for all utility plant systems design including electrical power, steam, chilled water, softened domestic water, fire protection supply and medical air sourcing for the hospital as well as backup electrical generation for the Central Utility Plant.



A key aspect of the project implementation was planning for distribution and interconnection of main services with



existing utility supplies, and separation of services from the previous host entity. This was successfully accomplished and there were no negative impacts resulting from service interruption

during commissioning of the new plant when the services were cutover.

Building on the concepts developed in C&B's initial utility study and plant design development efforts, the project addressed all essential service needs with strategic options for supplying utilities to the hospital to meet both short and long term needs.



We Energies Presque Isle Power Plant Clean Coal Technology Demonstration Project



In April, We Energies celebrated the completion of the construction and startup phase of the \$53 million mercury removal TOXECON™ demonstration project at the Presque Isle Power Plant in Marquette, Michigan. Cummins & Barnard was responsible for performing detailed engineering for all BOP systems and providing construction management for the project.



This is currently the largest project of its type treating flue gas from western sub-bituminous coal-fired boilers for three units totaling 270 MW. The project was sponsored in part by the U.S. Department of Energy under the Clean Coal Power Initiative.

The project utilized the EPRI patented TOXECON™ process in which sorbents, including powder activated carbon for mercury control and others for NO_x and SO_x control are injected into the combustion gases downstream of an existing electrostatic precipitator and collected by a new pulse jet fabric filter (baghouse).



Other team members include ADA-ES, Electric Power Research Institute and Wheelabrator Air Pollution Control.



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University of Notre Dame Boiler Improvement Project

Cummins & Barnard has been chosen by the University to provide engineering services to support implementation of boiler improvement projects to upgrade and modify four existing boilers in the power plant. The effort will include measures to achieve compliance with the Industrial Boiler MACT regulations currently in effect that apply to two 70,000 lb/hr stoker boiler and one 170,000 lb/hr industrial cyclone boiler. The scope for these coal-fired boilers includes addition of pulse jet fabric filters with sorbent injection systems and a new ash silo. Existing ID fans and economizers will be replaced.

The fourth boiler is a 100,000 lb/hr packaged gas and oil-fired unit that will be refurbished to improve efficiency and reduce emissions. Scope of work for this boiler includes new low NOx burner and FD fan, new economizer, and casing replacement. The project also includes DCS control upgrades for these boilers.



University of Notre Dame, Boiler Improvement Project

Alcoa, Jamalco 900# Steam Header Stress Analysis and Support Review

Alcoa has chosen Cummins & Barnard to participate in a project at their Clarendon Alumina Works in Jamaica. The project involves an assessment of Alcoa's 900# steam system including stress analysis of the steam piping to identify high stress areas and an assessment of the support system. The results of this work will increase reliability for Alcoa's high-pressure steam system. A team of C&B engineers will be traveling to the plant in Jamaica to perform a field audit of the system as part of this effort.



ALCOA, Jamalco 900# Steam Header Stress Analysis and Support Review

Michigan State University Unit 5&6 Addition

Units 5&6 Addition of the MSU T. B. Simon Plant went into full operation with a preliminary completion certificate in June of 2006. Unit 5 is a 24.5 MW steam turbine addition which is capable of receiving high pressure steam from any of MSU's coal/gas-fired boilers or from the HRSG installed in conjunction with Unit 6. Unit 6 is a 15 MW solar combustion turbine with a HRSG providing steam to any steam turbine through the high pressure steam header. This unit adds black start capability to the campus in support of sustaining critical research and was commissioned early in January of 2006 anticipating the winter semester and return of the student population. The project cost was \$39,500,000.



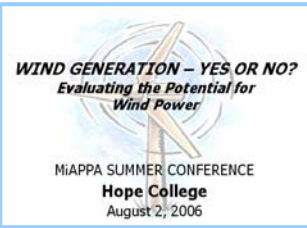
Michigan State University



QUARTERLY UPDATE

PROFESSIONAL ACTIVITIES

MIAPPA Conference



On August 2, 2006, Cummins and Barnard participated in the MIAPPA Summer Conference at Hope College. Steve Yambor, P.E., Penny Smeltzer and Christopher Zuelch presented "Wind Generation - Yes or No, Evaluating the Potential for Wind Power" along with Dave Koster from the Holland Board of Public Works.

CORPORATE EVENTS

C&B Tigers Game Outing

On Friday, July 21, 2006, C&B employees gathered together to cheer on the Detroit Tigers at a night game against the Oakland Athletics. Everyone enjoyed the action as well as the fireworks after the game.

C&B Golf Outing

The annual C&B golf outing occurred on August 4, 2006 at the Reddeman Farms Golf Course. Thirty-two employees participated on eight teams in a scramble. Three holes featured awards including longest drive, closest to the pin, and longest putt. The winners of the overall tournament were Jim Connell, Dan Mitas, Tom Ghesquiere and John Steinert who shot six under par.



Jamie Mychkovsky
Longest Drive
Closest to the Pin



Chris Rogers
Longest Putt

C&B Annual Summer Picnic

On August 13, 2006, C&B celebrated summer with a picnic at the Rolling Hills County Park in Ypsilanti, Michigan. Families were invited to enjoy the water park, sand volleyball, horse shoes and of course, the food!



Rolling Hills County Park Picnic

C&B CPR First Aid and Defibrillator Training

Cummins & Barnard has made a commitment to be a heart safe working environment. In support of this effort, C&B is hosting first aid and defibrillator training sessions in October and November at the office for all employees who are interested in becoming certified. The classes will be led by the Washtenaw County Chapter of the Red Cross.

MTU Career Fair

On October 3, 2006 several members of the C&B team are heading to Houghton, Michigan for the Michigan Tech Career Fair. C&B will make a presentation and host a booth during the fair.



C&B's Michigan Tech Alumni