

February 9, 2012

Daily Republic 1250 Texas Street Fairfield, CA 94533

Attn: Mr. McNaughton

Seventh Verification period of the Power Shaver / Daily Republic energy saving system.

Featuring the USES® Universal Shunt Efficiency System

All comparisons are made against equal day period of 2010.

Billing period: 12-16-2011 to 1-17-2012

33 days

kWh: -10,560 kWh = -23.2% **kWh per day:** -320 kWh = -23.2%

Cost per kWh: -.00047636386 = -2.95%

Total Cost of Power: -\$1,542.98 = -23.5%

Total Cost adjusted for Utility price change: -\$1,532.71 = -23.3% at 2010 prices

Power Shaver was not made aware of any change in production scheduling during this billing period. The entire Power Shaver Energy Saving System was activated by the Daily Republic for all days during this billing period.

To date, in the seven months since the Power Shaver system has been installed, the Daily Republics kWh consumption is down by 82,649 kWh equaling 23.62% and associated cost down by \$16,692.98 equaling 24.81% compared to the same period in 2010 and 2011. These results verify a conservative 1.53 year ROI or 18 months, quicker than the Power Shaver guaranteed payback period.

Thank you,

John Knapp

