

Sheldon, Lee H NWP

From: Fu, Showin M NWP
Sent: Thursday, January 05, 2006 3:57 PM
To: Sheldon, Lee H NWP; Carlson, Alvin B NWP
Cc: Nelson, Richard E NWP; Wittinger, Rodney J NWP; Ebner, David A NWP; Miska, Edward P NWP
Subject: RE: Commercialization of Digital Governor and T2 Optimizer Software by ACSI

From: Sheldon, Lee H NWP
Sent: Thu 1/5/2006 3:28 PM
To: Fu, Showin M NWP; Carlson, Alvin B NWP
Cc: Nelson, Richard E NWP; Wittinger, Rodney J NWP; Ebner, David A NWP
Subject: Commercialization of Digital Governor and T2 Optimizer Software by ACSI

It my understanding from what you told me that ACSI has asked permission to commercialize the digital governor and T2 Optimizer software they developed under Corps contracts. The approval for this is presently contained in the draft of the contract to install the T2 software in Bonneville and Chief Joseph. Although I have not seen a copy of the draft of this contract, I understand it contains certain restrictions ACSI must meet in terms of removing network configurations, settings and communication protocols unique to the Corps and GDACS. Lastly, I understand they may not use the solution for optimization I gave to the Corps for its exclusive use in developing T2. Since T2 can not function without such a solution methodology, when I asked if they intend to develop a whole new solution methodology, you said then they would have to.

Please confirm if my understanding is correct?
>> Yes, your understanding is correct.

Are you aware if a justification in terms of a benefit to the government been offered for this commercialization?
>> I'm not sure if I quite understand the question. Are you asking if there is benefit to the government for ACSI to sell the product commercially?