

Post Office Box 1409 Key West, FL 33041-1409 (305) 809-3700

July 8, 2025

Captain C.J. Thompson U.S. Navy Commanding Officer PO BOX 9001 NAS Key West, FL

Subj: AGREEMENT AND CONFIRMATION OF SUPPORT FOR NATIONAL ENERGY USA'S NAVY SMALL BUISNESS INNOVATION RESEARCH.

Dear Captain Thompson,

The City of Key West, FL appreciates the progress of our dialogue and meetings around supporting a partnership with the Navy Small Business Innovation Research (SBIR) as well as Small Business Technology Transfer (STTR) Programs, National Energy USA, and NAS Key West. We are delighted to be on the forefront with you in regard to finding solutions that reduce operating costs, nurture partnerships, quality of life, and a shared mission for the military-civilian community benefits and relationships.

We acknowledge NAS Key West is the southernmost military installation in the continental United States. The location is strategic and provides the Navy with unparalleled aerial ranges for East coast pilot training in addition to National security mission support for the Department of Homeland Security and Joint Interagency Task Force South. Due to its remote location, NAS Key West experiences power quality and reliability issues more frequently than mainland Florida. Volatile weather events and infrastructure degradation are the leading causes of power disruption and mission downtime. In addition, the remoteness of the installation also contributes to significant operational expenses for solid waste and sewage waste management.

The City of Key West, with NAS and Navy Region Southeast support, would like to explore potential SBIR Program initiative with SBIR Phase I awardee, National Energy USA, to expand on prior due diligence performed at Eglin Air Force Base (AFB) and create a holistic solution for the abovementioned problem statement. The technical solution explored at Eglin AFB utilized existing installation waste stream data and electrical load requirements to develop a business case analysis for implementing a waste-to-engineered fuel solution that would support onsite power production in the Florida Keys.

We understand that there is existing case work for similar programs out of Eglin AFB and are looking forward to moving towards the second phase. If approved, the second Phase II SIBR Catapult project at NAS Key West could further research the utilization of National Energy's patented technology to close energy security gaps at NAS Key West while also drastically reducing solid/sewage waste transport and disposal costs for both the installation and the City of Key West. Increasing Phase II scope to include power and solid/sewage waste stream requirements from the City of Key West is expected to bolster the research effort and support economic justification required for full scale commercial development of this technology.



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We support National Energy USA in its pursuit of SBIR/STTR funding to further research and pursue technology solutions for NAS Key West. City of Key West Utilities Director Matt Willman will be the City's point of contact. He can be reached by phone (305) 809-3721 or mwillman @cityofkeywestfl.gov.

Sincerely,

Brian L. Barroso City Manager City of Key West 1300 White Street Key West, FL 33040