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September 6, 2013

The Honorable Ed Braddy and
The City Commissioners of the City of Gainesville
P.O. Box 490, Station 19
Gainesville, Florida 32627-0490

Mr. Robert Hunzinger
General Manager
Gainesville Regional Utilities
301 S.E. 4th Avenue
Gainesville, FL 32614-7117

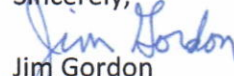
Dear Mayor Braddy, City Commissioners, and Mr. Hunzinger:

I am writing relative to certain items set forth in my August 23, 2013 letter notifying you of GREC's voluntary withdrawal of its counterclaim against GRU (the "Proposal Letter").

In the Proposal Letter I explained that GREC faces an incredibly tight timeframe to complete a transaction that will allow the project to benefit from the federal tax incentives for renewable energy. In consideration for GRU's cooperation in facilitating such a transaction I indicated that GREC would reimburse GRU for certain of its legal bills if and when such a transaction closes, all as further detailed in the Proposal Letter. Unfortunately, the window to complete such a transaction is rapidly closing, and therefore GREC's offer to reimburse GRU for Orrick's arbitration-related legal expenses, as set forth in the Proposal Letter, will expire unless by September 23rd, 2013 GRU has (a) suspended its ROFO rights under Section 27.3 of the PPA for a period of 120 days, and (b) provided any necessary consents that may be applicable under Section 21.1 of the PPA during such 120 days so long as the purchaser is an affiliate of one of the top ten largest by market capitalization regulated utilities in the United States.

Also, in the Proposal Letter, we indicated that GREC seeks to complete a transaction that allows the project to benefit "fully" from federal tax benefits. To avoid any potential confusion, please note that our offer to reimburse GRU for its legal bills, as set forth in the Proposal Letter, is not contingent upon GREC's completion of a transaction which "fully" monetizes the tax benefits, but is merely contingent on GREC completing, by the end of the year, any tax equity transaction or an outright sale of the facility or of all of the interests in GREC to a buyer that can utilize the tax attributes.

Sincerely,


Jim Gordon
President