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Citizen Comman t 5/19/11

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May 19, 2011

The Honorable Craig Lowe Mayor of Gainesville 200 East University Avenue Gainesville, FL 32601-0490

Re: Gainesville Citizens CARE Request and Prayer for the 93,000 ratepayers

Dear Mayor Lowe:

A group of concerned citizens, Gainesville residents and Gainesville Regional Utilities ratepayers have asked me to present on their behalf a request that the Gainesville City Commission begin a thorough re-evaluation of the commission's sanction of the construction of a privately owed \$667 million 100-megawatt biomass electricity generating plant, the electricity from which GRU – known heretofore as the public utility "owned by the people it serves" – will be required to fund by extracting from GRU ratepayer "owners" – for the benefit of out-of-state and foreign owners of the so-called Gainesville Renewable Energy Center, LLC (hereinafter "GRU-GREC") – what is projected to be well over \$100 million annually from 2014 until 2044.

On behalf of Gainesville Citizens CARE and its supporters – and praying for the commission to consider the best interests of the approximately 93,000 current GRU ratepayer "owners" – I respectfully request that on May 19, 2011 the new city commission take up and vote on a resolution:

- 1. Creating a special panel to review the proposed GRU-GREC facility and the contractual obligations the former city commission would require of the 93,000-some former "owners" of the city's electric generating facilities.
- 2. Charging the panel to gather information, professional opinions and public sentiments related to the so-called GRU-GREC project as such information, opinion and sentiment exist in the spring of 2011, more than three years after an earlier city commission voted unanimously to require the

newly hired GRU general manager Robert Hunzinger to negotiate a biomass plant power purchase agreement to conform with certain commission mandates, including the requirement that the agreement include a "back door" clause through which the city commission would be authorized to walk away from the project if circumstances changed so that the commissioners as the de fact board of director of GRU could fulfill its fiduciary obligations to the ratepayer owners of the facility.

- 3. Directing the panel to fast-track a comprehensive report and recommendation fully exploring the reasons for and against altering the purchased power agreement, in light of significantly changed circumstances.
- 4. Requiring that prior to the filing of a notice to proceed for the GRU-GREC project, that the special panel's report and recommendations be considered by the new city commission. Three of the commissioners now serving had no opportunity to participate in the decision-making leading up to the looming GRU-GREC notice to proceed, and had no say in the secret abrogation of the 2008 resolution requiring the negotiation of biomass plant power purchase to include a "back door" clause through which the city commission could walk away from the project if circumstances changed. The clause had been deemed necessary to allow the city commission -- the de fact board of directors of GRU to fulfill its fiduciary obligations to the ratepayer owners of GRU. It is incumbent upon this commission to know explore other ways of fulfilling that fiduciary responsibility.

Thank you for considering this request.

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