

March 31, 2016

VIA FACSIMILE AND PRIORITY MAIL

LISA A. COTTLE
PARTNER
(415) 591-1579
lcottle@winston.com

Union Bank, N.A.
Attention: Hugo Gindraux
1251 Avenue of the Americas, 19th Fl.
New York, NY 10020
Facsimile: (646) 452-2000

**Re: Notice of Seller Event of Default, Provided Pursuant to Section 4
of the Consent and Agreement**

Dear Mr. Gindraux:

We represent the City of Gainesville, Florida d/b/a Gainesville Regional Utilities (“GRU”) with respect to the Power Purchase Agreement for the Supply of Dependable Capacity, Energy and Environmental Attributes from a Biomass-Fired Power Production Facility (“PPA”) between GRU and Gainesville Renewable Energy Center, LLC (“GREC”). Pursuant section 4(c) of the Consent and Agreement (“Consent”) between GRU, GREC, and UNION BANK N.A. as collateral agent for the Lenders (“Collateral Agent”), GRU hereby provides Notice to Collateral Agent of a Seller Event of Default under the PPA.

GREC is the “Seller” as defined in the PPA. Section 25.1.1 of the PPA provides that a Seller Event of Default occurs when:

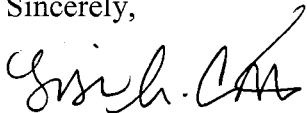
Seller defaults in any material respect in the observance or performance of any material obligation hereunder, including, but not limited to, failure to make a payment when due, failure by Seller to provide adequate security, or breach by Seller of a representation or warranty, and Seller has not cured such default within thirty (30) days after written notice from Purchaser specifying the default and demanding that the same be remedied; provided that if Seller has commenced reasonable efforts to cure the default within such thirty (30) days (and the default is such that it could reasonably be expected to be possible to cure) and continues to diligently pursue those efforts, then Seller shall have an additional thirty (30) days in which to cure the default.

GREC is in default under section 10.4.1(a) of the PPA as a result of (i) GREC’s unilateral cancellation of the written annual maintenance plan that was agreed to in June 2015, which provided for GREC to perform Planned Maintenance at the Facility as required by the PPA during the period from April 9th through April 29th, 2016, and (ii) GREC’s stated refusal to perform Planned Maintenance in 2016. On February 29, 2016, GRU provided GREC with

written notice of that default. A copy of that notice is attached and is hereby provided to Collateral Agent in accordance with Section 4(c) of the Consent. Thirty (30) days have elapsed since that notice, during which time GREC has repeated its intention not to perform Planned Maintenance in 2016. GREC thus has failed to cure the default or to commence reasonable efforts to cure the default. As a result, a Seller Event of Default occurred on March 30, 2016.

Pursuant to section 4(b) of the Consent, Collateral Agent has sixty (60) days to cure the Seller Event of Default provided that Collateral Agent commences good faith efforts to cure such Seller Event of Default within thirty (30) days of this notice. In the event that the Seller Event of Default is not cured in the time prescribed, GRU intends to pursue its remedies under section 25.2 of the PPA and applicable law, which may include termination of the PPA.

Sincerely,



Lisa A. Cottle

Enclosure

cc: Ed Bielarski, General Manager, GRU
James Gordon, President, GREC
Shayla McNeill, Utilities Attorney, GRU
Lisa Cottle, Winston & Strawn
Andrew Phelan, Morgan Lewis
Siobhan Mee, Morgan Lewis

February 29, 2016

VIA FACSIMILE AND E-MAIL

Gainesville Renewable Energy Center, LLC
Attention: Mr. James Gordon
20 Park Plaza, Suite 320
Boston, MA 02116

Re: Response to GREC's Dispute Resolution Notice, dated February 17, 2016, pursuant to Section 24 of the Power Purchase Agreement

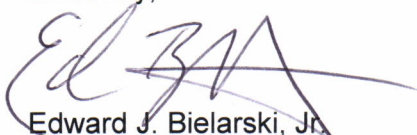
Dear Mr. Gordon,

Pursuant to the Power Purchase Agreement ("PPA") between the City of Gainesville d/b/a Gainesville Regional Utilities ("GRU") and Gainesville Renewable Energy Center, LLC ("GREC"), GRU has reviewed GREC's above-referenced claim of GRU's anticipatory breach. Upon review, GREC has no basis to assert a claim against GRU of anticipatory breach. In fact, GREC's current position not to perform planned maintenance on the plant would be a breach of GREC's obligations to perform planned maintenance pursuant to Section 10.4.1(a) of the PPA.

Pursuant to Section 10.4.1(a) of the PPA, GRU expects GREC to perform planned maintenance on the plant in accordance with its 2016 written planned maintenance schedule agreed upon between GREC and GRU on June 18, 2015. Pursuant to Section 10.4.1(a), "Any and all changes" to the 2016 written planned maintenance schedule "shall be mutually agreeable" to GREC, GRU, and to FRCC, and shall be in writing.

GRU expects GREC to either adhere to the 2016 planned maintenance schedule by performing such annual maintenance from April 9 to April 29, 2016, or GRU will consider GREC in breach of GREC's obligations pursuant to Section 10.4.1(a) of the PPA.

Sincerely,



Edward J. Bielarski, Jr.
General Manager for Utilities

xc: Len Fagan, VP Engineering & Construction, EMI
Al Morales, Chief Financial Officer, EMI
Stuart Sohn, Controller, EMI
Gainesville City Commission
GRU Executive Staff