

SMUD News Release

Sacramento Municipal Utility District

• News Media Services

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SMUD to buy power from landfill gas to electricity plant *Continues leadership in renewable power*

The Sacramento Municipal Utility District (SMUD) has signed a 15-year contract with Gas Recovery Systems LLC, a subsidiary of the FORTISTAR Methane Group, for the purchase of approximately 1.5 megawatts of renewable energy from a plant that generates electricity from landfill methane gas.

Under the agreement, SMUD receives all the energy, capacity attributes and environmental attributes from the project. The plant, located near Santa Cruz, California, is expected to begin deliveries to SMUD October 1, 2009.

Expected output is 12 gigawatt hours per year of baseload renewable energy that moves SMUD closer to meeting its renewable procurement goals. This addition to the energy portfolio aims to help SMUD achieve its goal of having renewable energy account for 33 percent of its power supply by 2020. Last year, renewable energy accounted for approximately 19 percent of SMUD's power supply.

"As a member of the local community, FORTISTAR is pleased to enter into a long-term partnership with SMUD to deliver baseload renewable power to the people of Sacramento," said Tom Gesicki, president of FORTISTAR Methane Group.

FORTISTAR is a private company focused on providing clean, efficient and renewable energy that meets the environmental challenges facing our nation. They deliver over 1,500 megawatts of energy from 60 projects to 41 communities in 15 states and two countries. "There is no more critical resource, nor greater need in America today, than creating clean and renewable energy for tomorrow. Win-win relationships with our stakeholders like the Sacramento Municipal Utility District are an important part of achieving this goal," said FORTISTAR President Mark Comora. The company is headquartered in White Plains, NY.

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