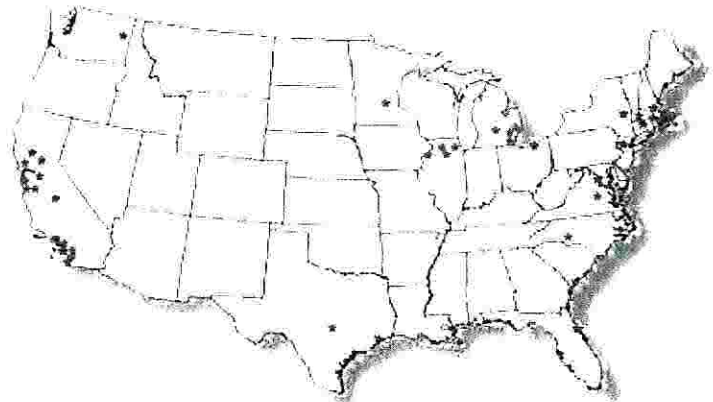


# FORTISTAR METHANE GROUP



*North America's largest independent  
Landfill Gas-to-Energy Producer*

★ Gas Recovery Systems	State	Size (MW)
Arbor Hills	MI	28.3
Mallard Lake	IL	23.2
Coyote Canyon	CA	21.0
Pine Bend	MN	15.4
Fall River	MA	6.8
C&C I & II	MI	6.0
Charlotte	NC	5.3
Newby Island I & II	CA	5.3
Lyon	MI	5.0
Sycamore I & II	CA	4.8
Sunset Farms	TX	4.0
East Bridgewater	MA	3.0
Menlo Park	CA	2.1
Chicopee	MA	2.0
Guadalupe	CA	2.0
Halifax	MA	2.0
Quad Cities	IL	2.0
Randolph	MA	2.0
Richmond	VA	2.0
Rockford	IL	2.0
San Marcos	CA	1.7
South Barrington	IL	1.6
American Canyon	CA	1.6
Santa Cruz	CA	0.9
Newby III	CA	Gas
Sacramento	CA	Gas
Vienna	MI	Gas

## ★ Minnesota Methane

West Covina	CA	10.4
Edgeboro	NJ	9.8
San Diego	CA	9.5
Lopez	CA	5.6
Tomoka	FL	3.6
Cuyahoga	OH	3.6
Hartford	CT	2.7
Yolo	CA	2.6
Taunton	MA	1.8
Albany	NY	1.8
Prince William	VA	1.8
Lowell	MA	1.5
Tulare	CA	1.5
Spokane	WA	0.8

**FORTISTAR Methane Group**, through its affiliates, Gas Recovery Systems LLC and Minnesota Methane LLC, has ownership interest in 44 landfill gas recovery facilities with a combined installed capacity of 212 MW of electrical generating equipment along with 3 landfill gas compressor stations which process landfill gas for direct sale.

**Gas Recovery Systems LLC (GRS)** is a recognized pioneer and industry leader with over 23 years of history successfully owning and operating landfill gas production, processing, and related electrical generation systems.

GRS operates 30 landfill gas facilities which annually produce more than 16 million MMBTUs of landfill gas. The company has 27 electrical generation facilities and 3 medium BTU compressor stations which process landfill gas for direct sale to industrial customers.

**Minnesota Methane LLC** has 14 landfill gas facilities that annually produce more than 8 million MMBTUs of landfill gas for the company's electrical generation facilities, which have a combined capacity of over 57 megawatts.

### Contact:

Paul Hesson	Lewis Staley
Dir. of Development	Development Mgr.
5101 Morehead Rd.	5087 Junction Rd.
Concord, NC 28027	Lockport, NY 14094
(704) 782-2721	(716) 439-1004
hesson@grsllc.net	staley@grsllc.net
www.grsllc.net	www.fortistar.com

# FORTISTAR

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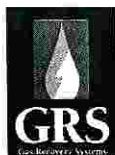
**Fortistar** is a highly focused independent power generation company positioned to take advantage of opportunities arising from significant changes that occur in the energy industry. The company is an owner, manager and developer of power and methane gas projects with well negotiated contracts that provide reliable long-term cash flow. Recently, Fortistar has targeted for acquisition renewable energy projects and managing distressed power projects.

Headquartered in White Plains, New York, the company was founded in 1974 as Commercial Union Capital Group an investment unit of Commercial Union Assurance, CGU plc., a large United Kingdom based insurance company. Fortistar was initially engaged as both a principal and an advisor to other principals in acquiring and managing highly structured investments, primarily leveraged leases. The company also developed several innovative investment programs including leveraged preferred stock (selected by Institutional Investor as one of the most innovative financings of the year 1982); tax-advantaged real estate roll-ups and NOL wrap leases.

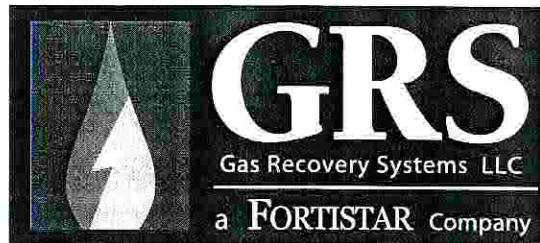
In 1986, Fortistar began investing in the independent power industry. Over the next several years, the company was either directly involved in or acted as advisor to other principals on twenty-five transactions totaling \$600 million of investment and \$2.7 billion of total project cost. The company also began to pursue development opportunities and in 1989 completed the 30 MW biomass-fired Honey Lake Project. In 1992, the company completed development of its highly successful 200 MW gas-fired Lockport Cogeneration Project. Lockport has operated at greater than 98% availability during the fourteen year life of the project.

In 1993, Fortistar became a privately held company. During the next five years, the company divested its' leverage lease business and acquired additional interests in the Lockport Cogeneration Project. In 1998, Fortistar acquired a majority interest in Minnesota Methane, a portfolio of fourteen landfill gas power projects totaling 57 MWs located throughout the United States. In 2002, the company completed the acquisition of the 60 MW North Tonawanda Cogeneration Project along with a 12.5 acre greenhouse, which produces about 3.5 million pounds of hydroponic tomatoes annually. The North Tonawanda plant also operates at greater than 98% availability.

Most recently, Fortistar acquired Gas Recovery Systems ("GRS"), a portfolio of 29 landfill gas projects, and the remaining interest in Minnesota Methane. These acquisitions solidify Fortistar's position as a significant participant in the renewable energy industry.







September 26, 2007

Vendor#24001158

Napa-Vallejo Waste Management Authority  
1195 Third Street, Room 101  
Napa, CA 94559

Re: **August 2007 Royalty Payment – American Canyon**

Attached please find a schedule showing the amount of the energy payment from Pacific Gas & Electric Company, during the period of August 1, 2007 through August 31, 2007.

The following is the calculation of the amount due for power generated:

<b>August 1, 2007 through August 31, 2007</b>			
<b>\$47,100.05</b>	<b>x</b>	<b>15.00%</b>	<b>= \$7,065.01</b>
<b>Amount Due American Canyon</b>			<b>= <u>\$7,065.01</u></b>

Please call (716)439-1004 ext. 103, if you have any questions concerning this calculation.

Sincerely,

Margaret M. Hereth  
Controller  
Gas Recovery Systems LLC

**RECEIVED**  
OCT 02 2007  
DEPT. OF  
ENVIRONMENTAL MANAGEMENT

Attachment

Z:\Royalty Payments\American Canyon\08-2007 American Canyon Royalty.doc

**PACIFIC GAS AND ELECTRIC COMPANY  
STATEMENT OF CAPACITY AND ELECTRIC ENERGY PURCHASED  
04P010 GAS RECOVERY SYS. (AMERICAN CYN)**

**CONFIDENTIAL**  
Documents Submitted  
Under Pub. Util. Code  
Section 583 and G.O. No.  
66-C Sec. 2.8

**REMIT CHECK TO:**

**MAILING ADDRESS:**

AUTOMATIC CLEARING HOUSE PAYMENT

GAS RECOVERY SYSTEMS, LLC  
CONTROLLER  
ATTN MARGARET HERETH  
5087 JUNCTION ROAD  
LOCKPORT, NY 14094

<b>STATEMENT DATE:</b> 8/31/07	<b>DUE DATE:</b> 10/4/07
CUST. ACCOUNT NO.: 5585085369 LOG NO.: 04P010	INVOICE: 04P01008317 CHANNEL: NY692C
VENDOR NO.: 1083265 CONTRACT NO.: 04P010	
<b>SUMMARY OF PAYMENT CALCULATION</b>	
<b>Payment Period:</b>	8/1/07 - 8/31/07
<b>Total Energy Payments:</b>	\$47,100.05
<b>Total Curtailment Payments:</b>	\$0.00
<b>Total Capacity Payments:</b>	\$28,562.75
<b>Total Adjustments:</b>	\$0.00
<b>GRAND TOTAL:</b>	<b>\$75,662.80</b>
<b>GROSS GENERATION (KWH):</b>	<b>790,949</b>

Payment computations are in accordance with the Power Purchase Agreement between PG&E and:

**GAS RECOVERY SYS. (AMERICAN CYN)**  
Dated: 1/3/85

Please call 1-800-756-PAID if you have 1) not received your check for said amount shown on the statement four (4) days from the "DUE DATE" or 2) any general questions regarding the check.

Please direct any questions regarding the computations relating to this statement or PG&E's application of the provisions set forth in the Power Purchase Agreement to:

**Contact:** SOLIMAN E ELGAZZAR  
**Dept:** POWER SETTLEMENTS  
**Phone:** (415)973-3791 ext.  
**Fax:** (415)973-2151 ext.

**RECEIVED**  
OCT 02 2007  
DEPT. OF  
ENVIRONMENTAL MANAGEMENT