Columbia Biogas

March 30th, 2012

Dear Sam,

Over the past several months Columbia Biogas (CBG) has been working with you, your office, and other City staff to explore options for a possible public/private partnership that would support the construction of a food-waste-to-renewable energy generation facility to be located in the Cully neighborhood of Northeast Portland.

As you know, our project will play a critical role in the City's and the region's solid waste disposal plans, helping to ensure that high value organic waste is recycled in a manner that recovers energy and nutrients while reducing greenhouse gas emissions that result from traditional disposal methods.

We also know through our own research and analysis that our facility has the potential to provide significant cost saving benefits to the City government and Portland businesses. The project dovetails perfectly with the Economic Development Strategy, Climate Action Plan and Portland Plan, and creates job opportunities in the Cully neighborhood.

Although the economic, environmental and public benefits of our facility provide a strong basis for a public/private partnership, we have recently experienced significant interest from the financial community to provide financing for the facility. Thus, during the NEBC event on March 28th, we disclosed that we will finance the facility privately.

We appreciate the support that you and your office have provided our team over the past two years, and particularly want to thank the Office of Management and Finance and the Bureau of Planning and Sustainability for their collaboration and assistance on potential public/private partnership as well.

We also want to acknowledge the tremendous support our project has received from business groups, Metro and the Cully Association of Neighbors.

We look forward to working with these groups and the City to bring our project to fruition.

Respectfully,

John McKinney

President