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Florida Public Service Commission Approves 100 MW Biomass-Fueled Renewable Power Plant for Gainesville

FOR IMMEDIATE RELEASE

May 27, 2010

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Tallahassee, Fla. --- Florida's Public Service Commission today approved Gainesville Regional Utilities (GRU) and American Renewables' joint petition for the Gainesville Renewable Energy Center, a planned 100-megawatt biomass power plant that will be located in Gainesville, Florida. When operational the facility will utilize a variety of waste wood materials to provide clean, renewable power to about 70,000 homes in the Gainesville area.

In supporting the proposed plant, FPS Commissioner David Klement said he was satisfied the plant meets needs for reliability integrity, fuel diversity and supply reliability. "It is prudent to consider the longer range needs of this utility and of Florida's commitment to renewables. We want to promote renewables," he said.

American Renewables of Boston, Massachusetts, the premier U.S. developer of biomass power facilities, will build, own and operate the facility and will sell all energy and environmental attributes generated from the facility to GRU for a period of 30 years. The plant will be fueled by a plentiful, local supply of leftover clean woody waste using urban wood waste, wood processing wastes and logging residues.

"The PSC has taken an important step today toward significantly expanding Florida's commitment to renewable energy," said Jim Gordon, Chief Executive Officer of American Renewables. "The Gainesville Renewable Energy Center will bring reliable, cost-effective renewable energy to GRU customers and spur significant economic development in north central Florida."

GRU General Manager Bob Hunzinger said the utility needs to add biomass to its power generation mix for three main reasons: to improve the reliability of an aging generation fleet; to protect customers from rising costs in any one fuel type by adding diversity to a fuel supply that is currently dominated by coal; and to provide long-term cost savings to customers.

Gordon added, "Today's decision by the PSC will allow us to finish permitting our facility and begin the necessary financing process. We also intend to move forward aggressively with additional biomass project development across the U.S. and beyond, in order to meet the growing demand for renewable baseload power."

Construction of the plant will bring more than 1,100 direct and indirect construction jobs to the area during its approximate 34-month construction phase. After the plant is completed, more than 200 direct, permanent positions will be created to operate and maintain the plant as well as procure biomass fuel. The project will support an additional 500 indirect, permanent positions in the region.

American Renewables plans to begin construction on the biomass facility in December 2010. More information about the project is available at www.amrenewables.com.

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About American Renewables, LLC

American Renewables develops, builds and operates clean energy facilities that utilize biomass materials as fuel. American Renewables brings together the successful track records and project development, operations, energy investment and asset management expertise of its three partners: BayCorp Holdings, Energy Management, Inc. and Tyr Energy. In addition to the Gainesville Renewable Energy Center, American Renewables developed, and sold to Southern Power, the nearly identical Nacogdoches Power project in Sacul, TX. This facility began construction in November 2009 and is scheduled to begin operations in late 2012. American Renewables is also developing the Hamilton County Renewable Energy Center in Hamilton County, FL.

About Gainesville Regional Utilities

GRU is a community-owned, multi-service utility in Gainesville, Florida, providing electric, natural gas, water, wastewater and telecommunications services to approximately 93,000 retail and wholesale customers. GRU's combined services make it the most comprehensive utility service provider in the state. As an engaged participant in a progressive community, GRU is committed to becoming a national leader in energy efficiency. GRU is Florida's leading utility in establishing long term energy efficiency goals and in helping their customers reduce energy consumption.

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