

State of New Hampshire
Site Evaluation Committee

<http://nhsec.state.nh.us>

P. O. Box 95
29 Hazen Drive

Concord, New Hampshire
03302-0095

Telephone (603) 271-3503

Fax (603) 271-2867



Thomas S. Burack, Esquire
Chairman

Thomas B. Getz, Esquire
Vice-Chairman

August 28, 2008

Howard M. Moffett, Esq.
Orr & Reno, Professional Association
One Eagle Square, P.O. Box 3550
Concord NH 03302-3550

Re: Granite Ridge Energy, LLC

Dear Mr. Moffett:

I received and acknowledge your letter dated August 8, 2008, concerning a change in ownership structure of Granite Ridge Energy, LLC (formerly known as AES Londonderry, LLC). Your letter has also been forwarded to each member of the New Hampshire Site Evaluation Committee.

Granite Ridge, LLC, is the holder of a Certificate of Site and Facility (Certificate) to construct and operate a 720 MW combined cycle natural gas fired power plant and associated facilities. See, SEC Docket No. 1998-02. The plant itself is located in the Ecological Industrial Park, Londonderry, N.H. The associated facilities are located in Litchfield and Manchester, N.H. Granite Ridge Energy, LLC, is presently owned by a consortium of lenders that obtained ownership of Granite Ridge Energy, LLC as the result of a voluntary foreclosure process in 2004. The present owners of the equity in Granite Ridge Energy, LLC, are Cargill Financial Services Corporation I, Merrill Lynch Credit Products, Inc., Stonehill Institutional Partners, LP, KSCH Energy V Limited and TPG Credit Opportunities Fund LP.

In your letter you advise that the lenders who own Granite Ridge, LLC, wish to once again create a holding company entity to take direct, equity ownership of Granite Ridge Energy, LLC. The equity in the proposed holding company would remain with the current owners in shares that may, from time to time, be adjusted. Your letter indicates that the purpose behind this re-organization is to better facilitate an auction sale or refinancing of Granite Ridge Energy, LLC.

The proposal contained in your letter does not involve a transfer of the Certificate of Site and Facility for the project, which will remain with Granite Ridge Energy, LLC. Likewise, the proposal does not involve a substantive change in ownership as the current owners of Granite Ridge, LLC will continue to hold the equity interest in the new holding company. Additionally, I note that you apprised the Site Evaluation Committee of this possibility in your correspondence of October 30, 2007. The

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proposed change in ownership structure does not appear to require any action by the Site Evaluation Committee and none, save this acknowledgement, will be taken.

Nevertheless, please remember that the Site Evaluation Committee maintains the authority and jurisdiction to monitor and enforce the terms and conditions of the Certificate granted to Granite Ridge Energy, LLC, pursuant to R.S.A. 162-H: 4, and the terms of the Certificate itself. Any future changes in ownership or any attempt to transfer the Certificate itself are subject to approval by the Site Evaluation Committee.

Thank you for bringing this change in ownership structure to our attention.

Very truly yours,

A handwritten signature in black ink, appearing to read "Thomas S. Burack". The signature is written in a cursive style with a large initial 'T' and 'B'.

Thomas S. Burack, Chairman
N.H. Site Evaluation Committee

cc: SEC roster