

Judith A. Fairclough
(Of Counsel)

September 12, 2008

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Thomas S. Burack, Chairman
Site Evaluation Committee
P.O. Box 95
29 Hazen Drive
Concord, NH 03302-0095

**Re: Granite Ridge Energy, LLC
Status of Auction Sale Process**

Dear Commissioner Burack:

As you know from our earlier letters, the owners of Granite Ridge Energy, LLC ("GRE"), the 720-MW combined cycle gas turbine Granite Ridge power plant in Londonderry have initiated a process to divest the equity interests of GRE in a private auction sale. The purpose of this letter is to give you a status update on the auction sale process.

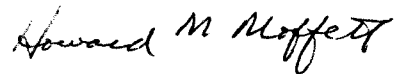
The GRE Board of Directors, working with Merrill Lynch, completed an initial bid round in late August, and selected a small group of second-round bidders. As of today, GRE has completed management presentations to the second round bidders at the plant in Londonderry and is now in the process of addressing final information requests and presenting the final bidders with a proposed purchase and sale agreement ("PSA").

GRE expects to select a purchaser and negotiate a final PSA during the last week of September. We anticipate filing a joint application (with the purchaser) with the Site Evaluation Committee in early October. We expect to pre-file testimony on the purchaser's managerial, technical, and financial qualifications with the application. Our intent is to provide the SEC with a complete package of information to allow your committee to complete its review as promptly as practicable.

Mr. Thomas S. Burack, Chairman
September 12, 2008
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We will keep you informed as we move into the final phase of the sale process. In the meantime, if you would like any further information, please do not hesitate to contact me.

Sincerely yours,

A handwritten signature in black ink that reads "Howard M. Moffett". The signature is written in a cursive style with a large, stylized "M".

Howard M. Moffett

HMM:kjc
cc: James Carlton, Granite Ridge Energy, LLC
Michael Iacopino, Esquire