

January 8, 2013

MARIN ENERGY

Rio Solar 1, LLC
8480 East Orchard Road, Ste. 4000
Greenwood Village, CO 80111
Attention: Mike Ruffatto

Dawn Weisz
Executive Officer

Re: Certain Seller Defaults in The Solar Power Purchase and Sale Agreement, by and between Rio Solar 1 LLC ("Rio Solar") and the Marin Energy Authority ("MEA") dated November 9, 2011 (the "Agreement").

Damon Connolly
Chair
City of San Rafael

Dear Mr. Ruffatto:

Kathrin Sears
Vice Chair
County of Marin

Reference is made to your status report received November 29th, 2012; subsequent emails requesting further details on project permitting dated November 29th and December 6th; and that certain letter, dated June 26, 2012 (the "June Letter"), sent by MEA to Rio Solar, pursuant to which MEA has identified a number of deficiencies in performance by Rio Solar under the Agreement. Further reference is made to your subsequent acknowledgement of a change in terms dated September 7th, 2012, permitting MEA to terminate this Agreement as a result of any of the Breaches at any time until the Breaches are cured in full.

Tom Cromwell
City of Belvedere

Alexandra Cock
Town of Corte Madera

MEA views these deficiencies to be breaches of material terms of the Agreement, which Seller has failed to cure within forty-five (45) days of Buyer's notice of such breach, and Seller has provided no substantial evidence of its diligent and commercially reasonable efforts to cure such breach during an additional forty-five day period; a total of ninety (90) days from the date of Buyer's notice.

Larry Bragman
Town of Fairfax

Len Rifkind
City of Larkspur

Because Seller has failed to cure the breach within such ninety (90) day period, notice is hereby given terminating the The Solar Power Purchase and Sale Agreement (the "PPA"), by and between Rio Solar 1 LLC ("Rio Solar") and the Marin Energy Authority ("MEA") dated November 9, 2011.

Ken Wachtel
City of Mill Valley

Denise Athas
City of Novato

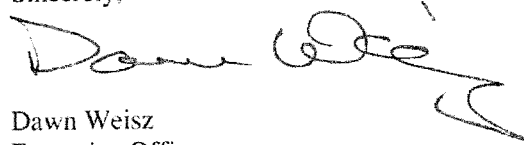
Notwithstanding the foregoing, MEA continues to reserve all its rights and remedies available under the Agreement in all respects, including the retention by MEA of all Construction and Capacity Damages Cap, \$500,000 received to date.

Carla Small
Town of Ross

Ford Greene
Town of San Anselmo

Sincerely,

Jonathan Leone
City of Sausalito



Richard Collins
Town of Tiburon

Dawn Weisz
Executive Officer

781 Lincoln Avenue
Suite 320
San Rafael, CA 94901

Cc: North American Power Group, Ltd., Attn: President
Chadbourne & Parke LLP, Attn: Robert Shapiro
Milbank, Tweed, Hadley & McCloy LLP, Attn: Allan T. Marks

1 (888) 632-3674
marinenergy.com