

RPS/JM

14th November 2011

Tom Cowan
Belfast City Council
North Foreshore Unit
Property and Projects Department
Adelaide Exchange
24-26 Adelaide Street
Belfast BT2 8GD

Dear Tom,

Re: North Foreshore Anaerobic Digestion

Further to our previous discussions regarding the North Foreshore anaerobic digestion development brief. We believe a tripartite agreement at the site for RPS to provide a generator to Belfast City Council who will in turn provide it for an AD developer is inherently unworkable for the following reasons:

- Modifying the site to comply with Ofgem/metering/ROCs requirements since the AD is eligible for more ROCs than the LFG
- Where liability will reside for contaminant levels in the gas and damage caused to the engine for changes in gas quality
- Obligations to provide heat, even in the event of generator downtime
- Difficulties of setting a price for gas
- The risks to BCC and RPS in the event of failure of generation
- The difficulty of producing a workable contract
- The inherently small margins and high risks such an arrangement would produce

For these reasons we do not wish any of the generating equipment we provide to BCC under our Landfill Gas Agreement to be used by BCC for an anaerobic digestion project.

Yours sincerely,

Jon Mellor
Development Manager