



TOWN OF WATERTOWN
WATER AND SEWER AUTHORITY
747 French Street
Oakville, Connecticut 06779-1099
(860) 945-5299 Fax (860) 945-5298

October 5, 2007

Mr. Mark Mirabito
Project Manager
Tamarack Energy, Inc.
35 Pratt Street—Suite 101
Essex, CT 06426

Re: Watertown Renewable Power Facility

Dear Mr. Mirabito:

As previously discussed with the Town of Watertown's Water and Sewer Authority ("Authority"), the Town of Watertown hereby confirms that the Authority has sufficient water sources and distribution capacity as well as sewage collection and disposal facilities to provide Watertown Renewable Power, LLC ("WRP") with water supply and sewage disposal services in the quantities set forth in your letter of August 7, 2007 for the life of the facility commencing on or about December 1, 2008. The Tamarack/WRP August 7, 2007 letter is attached hereto as Appendix A.

Tamarack, developer and owner of the WRP project, anticipates that the WRP Facility will commence commercial operations in May 2010. In order to support construction operations, water service will be required by December 2008. Therefore, Tamarack Energy will construct all facilities necessary to provide such service and have such in operation no later than December 1, 2008. Tamarack Energy shall pay the Authority for water and sewer services based on the rates set forth in the Authority's applicable rate schedule after the Authority determines the work is substantially complete and placed in service.

As a result of our conversations, it is the Authority's understanding that the Authority and WRP are committed to execute a Water Connection and Service Agreement as well as a Sewer Connection and Service Agreement no later than December 31, 2007 that will fully document our agreement and set forth the terms and conditions upon which service shall be rendered.

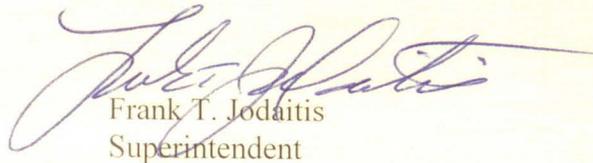
Mr. Mirabito

- 2 -

Oct. 5, 2007

If you have any questions, please do not hesitate to call.

Very truly yours,

A handwritten signature in blue ink, appearing to read "Frank T. Jodaitis". The signature is fluid and cursive, with a long horizontal stroke extending to the right.

Frank T. Jodaitis
Superintendent

FTJ:gb

Attachments: Appendix A—WRP Water and Sewer Requirements Letter
dated August 7, 2007, four pages.

AUG - 9 2007

Tamarack
E N E R G Y

Tamarack Energy, Inc.
35 Pratt Street
Suite 101
Essex, CT 06426
Tel: 860.767.6890
Fax: 860.767.6897
info@TamarackEnergy.com
www.TamarackEnergy.com

7 August 2007
File No. 836-03

Mr. Frank Jodaitis
Superintendent
Watertown Water & Sewer Authority
747 French Street
Oakville, CT 06779

Subject: Watertown Renewable Power Facility

Dear Mr. Jodaitis

In your June 19, 2007 letter to Tamarack Energy, you indicated a preliminary interest and ability on behalf of the Watertown Water & Sewer Authority (WSA) to provide the Watertown Renewable Power (WRP) facility's process water (0.5–0.6 MGD) and sewer (0.1 MGD) needs. In a subsequent telephone conversation, you requested more detailed water requirements in order to conduct a reliability study of the existing WSA distribution system both with and without additional purchased capacity.

Attached is memo from Careba Mott McDonald, the project's owner's engineer, outlining the average monthly water consumption requirements of the WRP facility. Since the plant will be operational 24/7, the average flow rates listed in the memo are representative of the typical instantaneous water requirement at any point during the day, with some fluctuation based on ambient temperature. As indicated in the memo, the maximum value continues to be 418.5 gpm (0.6 MGD). Also, attached is a preliminary water balance diagram for the plant's operation.

For purposes of the facility's process water needs, the 60 psig supply pressure you estimated during our telephone conversation should be sufficient. However, the facility's fire water needs would be best served by a 100 psig supply pressure. Please let us know if a higher pressure can be achieved by locating the pressure reducing pit downstream of the future WRP tie-in when extending the 12' water main in Echo Lake Road.

As we continue our design and permitting efforts, we require a stronger commitment, in the form of a letter of intent or contract, from WSA for the supply of water and sewer services to the WRP facility. This commitment should be in place to support the project's Siting Council application this fall. Please let us know what, if any, additional information regarding the project's water and sewer requirements you require. I can be contacted at 860.767.6831 or via e-mail at mmirabito@TamarackEnergy.com.

7 August 2007
Page 2

Sincerely yours,
TAMARACK ENERGY, INC.

A handwritten signature in dark ink, appearing to read 'M. Mirabito', written in a cursive style.

Mark Mirabito
Project Manager

Attachments: Water Consumption Memo, dated July 24, 2007 (1 page)
Water Balance diagram, dated May 22, 2007 (1 page)

Memorandum

To: Chris Kollmer

From: T. Coleman

Date: July 24, 2007

Subject: Water Consumption – Watertown Project

Message: I have estimated the average water consumption for the Watertown Plant and present it below. The Cooling Tower demand includes the evaporation, drift, and blowdown. These are estimated as “average” values of consumption for the month. The maximum value (ie. for the 1% condition – 88F db and 73F wb) is 418.5 gpm as reported before.

Month	Ambient Temp (F)	Cooling Tower Demand (gpm)	Total Plant Demand (gpm)
January	27	255.3	305.3
February	29	255.3	305.3
March	37	255.3	305.3
April	48	274.0	324.0
May	57	300.0	350.0
June	67	326.2	376.2
July	71	335.8	385.8
August	74	342.7	392.7
September	64	318.6	368.6
October	51	282.9	332.9
November	43	258.5	308.5
December	33	255.3	305.3

I hope this gives you what you need. If you have any further questions, give me a call.

End of Memorandum

Water Balance
Tamarack Energy
Watertown Project
 Dry Bulb Temp: 88
 Wet Bulb Temp: 73
 Generating Load: 30 Mw
 Date: May 22, 2007

