

THIRD ADDENDUM TO:

Bid Offering Memorandum for a portion of:
Kingsland Redevelopment Area
Meadowlands – Lyndhurst, North Arlington and Rutherford, New Jersey

Please be advised:

In accordance with regulatory requirements regarding methane collection, the New Jersey Meadowlands Commission (NJMC) shall require the successful bidder to lease the Landfill Gas Flare facility at the NJMC, Kingsland Landfill located within the Meadowlands District, and further shown in the aerial photo exhibit in the Document Center folder labeled: NJMC Ground Lease – Gas Flare Facility Property.

Prior to November 1, 2010, Algonquin Power (Algonquin) was the contract operator for the NJMC to operate the Landfill Gas to Energy facilities at the Kingsland Landfill. Algonquin provided wellfield management; operated Caterpillar fueled engines for electric generation (three Caterpillar 3516 engines were located at the Kingsland site); contracted with PSE&G to purchase electricity; operated the flares during outages and was responsible for all related permitting activities. In 2010, Algonquin terminated the NJMC Contract, phased out energy recovery and dismantled the electric generation portion of the facilities. The flares, wellfields and all equipment needed to operate the flares remain and have become the property of the NJMC. In an effort to continue uninterrupted landfill gas recovery, in October, 2010, the NJMC issued a solicitation for bids to operate the wellfield and flares. The successful bidder, Cornerstone Environmental Group, LLC (Cornerstone), took over operations on November 1, 2010 and has operated the Kingsland Landfill wellfield and flares. There was an average of 714.3 MMSCF/year of LFG recovered from the Kingsland Landfill between 1998 through 2004.

The primary equipment pieces on site are:

- LFG Specialties, Inc.-Open Flare Model CF 12 40112
- LFG Specialties, Inc.-Thermocouple
- Hoffman Blower Model #74103A, Serial #M013210, rated at 50HP
- NJMC site information indicates the current PSE&G interconnect is rated at least 2 MW

Landfill Gas Flare Facility – The NJMC shall sign a ground lease agreement having a term of up to 15 years with negotiated renewal options for the Kingsland Landfill Gas Flare facility as described herein to include , the on-site interconnecting piping, sumps, drains, valves, and all equipment that is necessary to operate and maintain the flare at this site including any existing blowers, electric panels, sumps, alarms, recording devices, security and accessory pipes and valves in accordance with regulatory and operational requirements, in their "as is-where is condition".

The net ground lease rental rate payable to the NJMC shall be \$60,000 per year payable in equal monthly installments and escalated at 2.5% annually. The Lease Commencement start date will be the property sale closing date. Please be advised the Ground Lease Agreement final terms and conditions shall be subject to a fully negotiated and executed Agreement between the successful bidder and the NJMC and shall only be binding after the successful bidder acquires the Properties comprising the subject Bid Offering Memorandum.