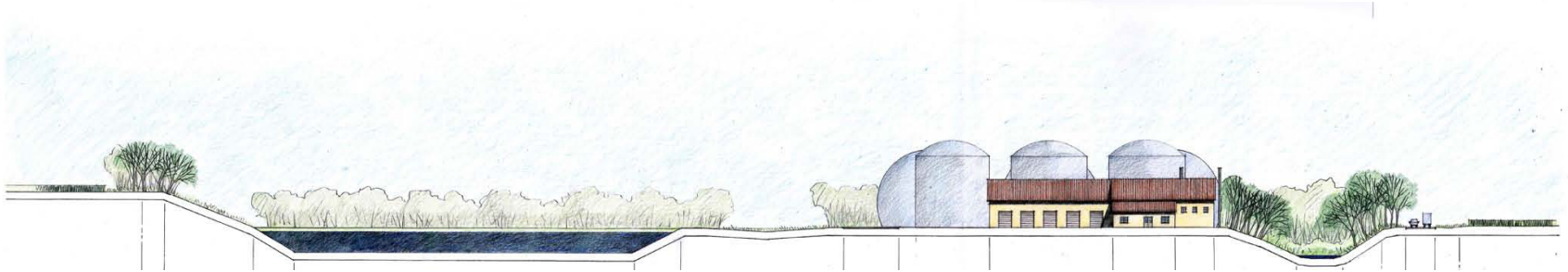


Minnesota Municipal Power Agency Community Update



Dear Members of the Le Sueur Community,

The Minnesota Municipal Power Agency (MMPA) is pleased to provide you with an update on the Agency's biomass project development activities. If you recall, the proposed project is a utility-scale energy production facility using agricultural processing wastes to make renewable energy locally.

Over the past 6 months, our development team has worked to refine the project concept and investigate various project sites in Le Sueur County and elsewhere. Through those explorations, we have found a site in Ottawa Township that will provide a great reuse opportunity for the land.

The Hometown BioEnergy facility will have the capacity to produce 8 Megawatts of renewable electricity. The output of the facility will include three products – essentially squeezing every ounce of value possible from the feedstocks delivered to the plant's door:

Electricity: Biogas will be used to produce electricity, which will be delivered directly to Le Sueur's electric distribution system as part of MMPA's power supply (Le Sueur is an MMPA member).

Liquid Fertilizer: Nutrient-rich liquid fertilizer co-product will be sold to local farmers.

Solid Fuel: Undigested biomass will be dried to create solid fuel, which will be burned off-site in biomass and coal-fired boilers to replace coal.

We have begun the permitting process with the Minnesota Pollution Control Agency (MPCA). We will be working closely with the MPCA and Le Sueur County during the regulatory process over the next 6 months, and plan to begin construction during the summer of 2012. The project will help MMPA meet the state mandated renewable energy requirements of 12% by 2012, increasing to 25% by 2025. As the project progresses, MMPA will continue to provide updates to the Le Sueur community.

Sincerely,
Minnesota Municipal Power Agency
(mmpa.org)

