



June 26, 2008

VIA EMAIL AND US MAIL

David Albers
CEO
BioEnergy Solutions, LLC
200 New Stine Road, Suite 200
Bakersfield, CA 93309

Re: BioEnergy Solutions, LLC, Log No. M-R-7013, Letter Agreement for 90-Day Extension to Post Performance Assurance

Dear Mr. Albers:

BioEnergy Solutions, LLC ("BES") and Pacific Gas and Electric Company ("PG&E") are Parties to that certain Biogas Purchase And Sale Agreement executed on December 11, 2006 (the "Agreement"). All capitalized terms used, but not defined, herein shall have the meaning set forth in the Agreement.

As the Parties have discussed, BES requests PG&E extend the date on which posting of Performance Assurance in the amount of \$217,000.00 is required to be provided by BES to PG&E. Given the progress recently demonstrated by BES toward an Initial Delivery Date, the Parties agree as follows in this letter agreement ("Letter Agreement"):

1. Performance Assurance shall be delivered by BES to PG&E no later than the earlier date of: either (1) ninety (90) days following the Initial Delivery Date; or (2) October 15, 2008.
2. If the Performance Assurance is provided in the form of a Letter of Credit, please send to:

Pacific Gas and Electric Company
77 Beale Street
Mail Code B28L
San Francisco, CA 94105
Attn: Manager, Credit Risk

3. If the Performance Assurance is in the form of cash, please send a Wire Transfer to:



Note: Please also send an email to Jack Foley at JRfC@pge.com with the details of the transfer (e.g., Project name, PA amount, date, transferring bank name) to ensure proper crediting to your account.

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4. This Letter Agreement is not intended to be, nor should it be construed as, any waiver of any provision of the Agreement or any waiver of any of PG&E's rights and remedies, whether at law or in equity, under the Agreement.

Please indicate your agreement to the terms of this Letter Agreement by executing where indicated below then returning to me an original of the same via U.S. Mail to the address listed above and a PDF copy via email to abr5@pge.com.

Should you have any questions or comments, please contact AnnMarie Roldan at (415) 973-5046.

Sincerely,

A handwritten signature in black ink, appearing to read 'Garrett Jeung'.

Garrett Jeung
Sr. Director, Structured Transactions
Energy Procurement – Energy Supply

Read and Acknowledged:

BIOENERGY SOLUTIONS, LLC

By: 
David Albers

Title: President

Date: 7/3/08