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Facilities and Planning

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April 16, 2012

Stuart Chang
Chief Executive Officer
Energy Systems Development
5420 Douglas Blvd, Ste F
Granite Bay, CA 95746

Dear Mr. Chang,

This letter is in appreciation for your company's outstanding service in the delivery of Natural Gas services to the Elk Grove Unified School District (EGUSD) for the past 3 years.

Your company's intimate working knowledge of the Natural Gas market and operations advised us correctly, two years running, on when it was most appropriate to buy Natural Gas at fixed or variable rates. In the first year you advised that we should buy at fixed rates which generated a significant savings over the prior year. This past year you advised that we go with the variable rate, in anticipation that rates would drop lower. Your second correct market call generated even further and more significant savings.

It was also interesting to note that your rates beat the PG&E rate 41 times over a 44 month period and a well known joint powers 3rd party provider's rate 11 out of 12 months last year.

Your company's partnership with the second largest California natural gas provider to PG&E (Tiger Inc. - 25,000 clients) has reliably delivered the same high quality Natural Gas to all of our school sites without any failures.

Energy conservation is one of my primary duties as the Associate Superintendent of Facilities and Planning in the EGUSD. Your company enabled our district to achieve a substantial energy savings with a mere contractual switch of Natural Gas service from PG&E to your company. I am doubly appreciative for such a simple solution, since conservation efforts are often labor intensive and/or require construction.

If any of your clients would like to know more about our Natural Gas experience with your company, please feel free to have them call me.

Sincerely,

Robert Pierce
Associate Superintendent