



News from AMP-Ohio

AMERICAN MUNICIPAL POWER-OHIO IS DEDICATED TO PROVIDING SUPPORT SERVICES AND LOW-COST POWER SUPPLIES TO MEMBER MUNICIPAL ELECTRIC COMMUNITIES

For Immediate Release

August 22, 2008

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AMPGS PARTICIPANTS COMMITTEE FORMED, CHAIR ELECTED

(**Columbus**) Participating communities in the American Municipal Power Generating Station (AMPGS) project met yesterday in Columbus. At the meeting, the participants committee for the project was formed with Ivan Henderson, Commissioner of Cleveland Public Power, elected as committee chair. More than 750 MW of capacity from the proposed 1,000 MW plant has been subscribed to 81 municipal electric communities in Ohio, Michigan, Virginia and West Virginia.

The AMPGS project is being developed by American Municipal Power-Ohio (AMP-Ohio) and its project partners the Blue Ridge Power Agency (Virginia) and the Michigan South Central Power Agency. AMP-Ohio is the Columbus-based, non-profit wholesale power supplier and services provider for 123 member municipal electric systems in Ohio and surrounding states.

Participants in the project selected a 16 member participants committee. The participants committee will meet a minimum of four times per year and will make decisions regarding financing, construction and operation of the facility. Joe King, Assistant City Manager for Utilities for the city of Danville, Virginia, was elected vice chair of the committee.

“This is a significant step forward for the AMPGS project,” AMP-Ohio President/CEO Marc Gerken said. “The formation of the participants committee, and the fact that more than 84 percent of the total project participation was represented at the meeting, demonstrates the strong

commitment to the project among AMP-Ohio members and provides the vehicle for participant input and control of the project on a going-forward basis. Contracts for the purchase of power from the facility have been executed and will be sent to participating communities.”

The proposed AMPGS facility is being developed in Meigs County, Ohio adjacent to the Ohio River, as part of the strategic response to the increasingly volatile wholesale electric market.

“Our members are currently overexposed to the market,” Gerken said. “With 62 percent of base load needs coming from market purchases, our members have little ability to control their wholesale power costs. AMP-Ohio, under the direction of our Board of Trustees, is embarking on an aggressive generation asset development program that includes both fossil fuel and a significant expansion in hydroelectric generation, as well as other renewable assets, in response to the significant changes in the industry and an increasingly dysfunctional wholesale electric market.”

AMP-Ohio announced plans to develop the new generation facility in Meigs County in October, 2005, following an extensive analysis of power supply options and technology choices. Since that time the organization has been working to obtain the various permits required for the facility and securing commitments from member communities to purchase output from the plant.

A final air permit-to-install for the facility was issued by the Ohio EPA in February 2008 and the Certificate of Environmental Compatibility and Public Need (Generation) was issued by the Ohio Power Siting Board in March. The status of other critical path permits is as follows:

- Residual solid waste facility permit-to-install – draft permit issued by the Ohio EPA in June, with a public hearing held in Meigs County August 5. The deadline for public comment on the draft permit is August 26.
- National Pollution Discharge Elimination System – draft permit issued by the Ohio EPA in June, with a public hearing held in Meigs County August 5. The deadline for public comment on the draft permit is August 26.

- A second Ohio Power Siting Board Certificate of Environmental Compatibility and Public Need (Transmission) – application is pending before the agency with hearings scheduled in Meigs County and Columbus in October
- Ohio EPA 401 and Army Corps of Engineers Section 10/404 water quality permits – applications remain pending with the agencies.

The AMPGS facility will utilize the latest in proven emission control technology making it far cleaner than any existing coal-fired plants in the region and one of the cleanest facilities of its type in the nation. A redundant system of emission control equipment will include the use of Powerspan technology, an ammonia-based scrubber to control emissions of sulfur dioxide, mercury and particulate matter. Powerspan also shows promise to provide an economic means for future CO2 capture.

In addition to the AMPGS project, AMP-Ohio is the largest equity owner in the Prairie State Energy Campus, a new coal-fired generation facility under construction in southern Illinois. AMP-Ohio has three hydroelectric projects under development at existing dams on the Ohio River, and recently announced a partnership with the City of Hamilton, Ohio to develop a fourth project. These projects will bring a total of more than 300 MW of additional hydroelectric power to the region.

The AMPGS project is scheduled to start construction in 2009. The project will employ more than 1,600 construction workers at peak and will employ approximately 165 workers on a permanent basis once in operation. The \$2.9-billion project is conservatively projected to bring more than \$20 million into the local Meigs County area on an annual basis. The AMPGS project remains dependent on negotiations of state and local incentives, including tax abatements, and receipt of final permits.

AMP-Ohio is in final negotiations with the preferred engineer-procure-construction (EPC) contractor, following an RFP process.

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About AMP-Ohio – AMP-Ohio is the Columbus, Ohio-based nonprofit wholesale power supplier and services provider for 123 member municipal electric systems in Ohio, Pennsylvania, Michigan, Virginia, West Virginia and Kentucky. The organization provides a diverse mix in its wholesale generation resources, which in addition to fossil fuel, includes wind, hydroelectric, landfill gas and distributed generation. www.amp-ohio.org



American Municipal Power Generating Station Participants Committee