



VOITH SIEMENS

HYDRO POWER GENERATION

News Release

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VOITH SIEMENS HYDRO TO MANUFACTURE TURBINES AND GENERATORS FOR MELDAHL HYDROELECTRIC PROJECT

(Columbus, Ohio/York, PA) American Municipal Power-Ohio (AMP-Ohio) and Voith Siemens Hydro today signed a contract for the manufacture of turbines and generators for a hydroelectric project at the Captain Meldahl Dam on the Ohio River. The \$122.9 million contract represents an expansion of the Voith Siemens and AMP-Ohio relationship that is bringing significant new clean, renewable generation to the region.

AMP-Ohio President/CEO Marc Gerken said the organization, along with the member community of Hamilton, Ohio and other member communities, will build the project at the Meldahl Dam as a part of an aggressive hydroelectric generation development program, with a goal of adding more than 380 MW of hydro power to the organization's portfolio. The Meldahl project is expected to have a capacity of 105 MW and is the largest of the six hydroelectric projects AMP-Ohio has under development. Hamilton currently holds the license for the project and, under agreements between AMP-Ohio and Hamilton, AMP-Ohio will become a co-licensee. Hamilton will be the

largest participant in the project with rights to approximately 51 percent of the plant's output, with the balance going to other AMP-Ohio members.

“AMP-Ohio and Hamilton both believe in the value of hydroelectric generation,” Gerken said. “Our hydro projects are a part of an asset development effort designed to reduce our member communities’ current over-exposure to the volatile wholesale market. This asset development effort, in addition to these significant hydro projects, also includes new fossil fuel development, as well as wind and solar. From our experience in building and operating the Belleville Hydroelectric Plant, we know that hydro power is reliable, predictable and affordable. We’re pleased to be able to pursue these projects on behalf of our member communities.”

In June of last year, AMP-Ohio and Voith Siemen Hydro announced the execution of a contract to provide turbines and generators for three other Ohio River projects on the Smithland, Cannelton and Willow Island dams. AMP-Ohio constructed the 42 MW Belleville Hydroelectric Plant and currently operates the facility on behalf of a joint venture of member communities, which owns the plant. The Belleville Hydroelectric Plant began commercial operation in 1999. Hamilton also owns and operates the 72 MW Greenup Hydroelectric Plant on the Ohio River, which has been operational since 1982.

“AMP-Ohio is continuing its national leadership in developing new, clean hydroelectric capacity at existing sites and we are pleased to extend our existing, solid working relationship with them,” said E. Mark Garner, President & CEO of Voith Siemens Hydro in York, PA. “Hydropower is and will continue to be America’s largest,

most flexible renewable resource and it has no carbon emissions. This is a good move for AMP-Ohio , its members and their customers.”

“In a time when more and more attention is being focused on renewable generation development, these projects take on even more significance,” Gerken said. “Potential hydroelectric projects on the Ohio River have gone largely untapped for many years. We see this as a priority, not only for our organization, but for the industry as a whole and our nation as a whole.”

As a wholesale power supplier to municipal electric systems in six states, Gerken said AMP-Ohio is committed to developing projects that diversify member power supply portfolios and reduce exposure to the volatile wholesale market. Eighty-five AMP-Ohio member communities are participating in the hydroelectric projects and have executed contracts to purchase power from the facilities.

AMP-Ohio is awaiting final permitting from the U.S. Army Corps of Engineers to begin construction on the Meldahl, Smithland, Cannelton and Willow Island projects. A fifth Ohio River project is proposed at the R.C. Byrd Locks and Dam, where AMP-Ohio and its member community of Wadsworth, Ohio are seeking the development license from the Federal Energy Regulatory Commission. At the same time, AMP-Ohio is working with the Tri-Cities Power Authority on a feasibility study for a hydroelectric project at the Bluestone Dam on the New River in West Virginia.

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About AMP-Ohio – AMP-Ohio is the Columbus, Ohio-based nonprofit wholesale power supplier and services provider for 126 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 includes fossil fuel, wind, hydroelectric, landfill gas and distributed generation. www.amp-ohio.org.

About Voith Siemens Hydro – *Voith Siemens Hydro Power Generation is a Group Division of Voith - with a workforce of approximately 3,000 employees and an order intake of more than \$1.5 billion in the past year. The company is a world-wide leader in hydro power equipment.*

About Voith – *Voith is setting standards in the markets paper, energy, mobility and service. Founded in 1867, the company has approximately 37,000 employees, a turnover of \$6.4 billion and more than 270 locations worldwide, Voith is one of Europe's large family-owned companies.*

About Hamilton – *Hamilton, Ohio is the largest municipal generating system in Ohio and third largest municipal electric system in the state. Hamilton currently operates two hydroelectric projects and is enthused about the Meldahl project. When Meldahl is complete, 70 percent of Hamilton's electric usage will be derived from clean, renewable hydroelectric power.*