



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
October 28, 2005

Media contact:
Kent Carson
614/337-6222
614/578-5389 (cell)
kcarson@amp-ohio.org

AMP-OHIO ANNOUNCES SITE FOR NEW GENERATING FACILITY

(Pomeroy, Ohio) A southern Meigs County site has been identified for a new generating facility that could add approximately 150 new jobs and more than \$20-million to the area's economy.

American Municipal Power-Ohio (AMP-Ohio) and partners, the Blue Ridge Power Agency (Blue Ridge) and the Michigan South Central Power Agency (MSCPA), today unveiled plans for a new electric power plant and identified southern Meigs County (Ohio) as the preferred site for the proposed American Municipal Power Generating Station.

The decision to locate the proposed facility in Meigs County is contingent upon permitting, geological studies and negotiations with state and local officials on appropriate incentives. Alternative sites and options are also being considered should the organization not be able to site the facility at this preferred location.

The announcement stems from a two-year process initiated following a strategic plan and including studies performed by the consulting engineering firms of Sargent & Lundy LLC and Black & Veatch, including an extensive request-for-proposal (RFP) process that considered long-term contractual arrangements and other options. The American Municipal Power Generating Station will contribute to meeting the long-term energy demands of 78 AMP-Ohio member communities participating in the study. Blue Ridge, a Danville, Virginia based joint action agency with 10 members and MSCPA, based in Litchfield, Michigan with five members, will also receive output from the facility once completed.

"A power supply needs analysis and the base load facility feasibility study indicated that construction of a new base load asset was the best approach to meeting the future needs of our member communities," said AMP-Ohio President/CEO Marc Gerken. "The participation of Blue Ridge (Power Agency) and MSCPA offers the opportunity for a cooperative partnership and more operational flexibility."

"We are very excited about participation in this project," said Blue Ridge General Manger Duane Dahlquist. "It will afford our members the opportunity to secure a significant portion of their future power supply from a plant constructed, owned and operated by public power entities. Compared to the current high cost and highly volatile wholesale power market from which our members must now buy, the power from this plant will be based on the cost to produce, thus ensuring reasonableness and much more certainty in future power rates for our members customers."

MSCPA General Manager Jack Bierl echoed the advantages the new plant would provide its customers. "We are very pleased to have the opportunity to participate in this project," he said. "Our members have long recognized the value of owning their own coal-fired generation. This project will not only secure a reliable source of economical energy for years to come, but also enable our members to benefit from the economies of scale provide by joint participation."

As proposed, the pulverized coal-fired plant will utilize the latest in proven clean coal technology to minimize the environmental impact and will allow the use of a fuel blend that includes Ohio coal. The facility would have a capacity of approximately 1,000 megawatts (MW). While a number of other sites both in and out of Ohio were identified, studied and could be utilized, the preferred location of the plant is near the Ohio River in Letart Township. The plant and associated facilities would occupy approximately 1,300 acres and would consist of a power plant with two stacks, coal unloading facilities, a fly ash disposal area, a substation and access roads.

"We're excited about today's announcement," Gerken said. "It is our firm belief, after considerable analysis, that Meigs County offers the best opportunity for our preferred site, and we look forward to being a part of this community for many years. The plant will have a positive impact on the local economy, and AMP-Ohio's demonstrated commitment to environmental stewardship means local residents can rest assured that the impact of the plant will be minimized."

The approximately \$1.2 billion project will bring 600-800 construction jobs to the region and once completed will employ approximately 150 people to operate the facility. It is projected that the American Municipal Power Generating Station will bring more than \$20-million into the area economy annually. AMP-Ohio anticipates the facility being on-line by 2012.

#####

About AMP-Ohio – *American Municipal Power-Ohio is the Columbus, Ohio-based nonprofit wholesale power supplier and services provider for 81 member municipal electric systems in Ohio, 25 in Pennsylvania, two in West Virginia and two in Michigan. Formed in 1971, the organization is owned and governed by its member communities, dedicated to providing member assistance and low-cost power supply. In addition, AMP-Ohio serves as the project manager for groups of member municipal electric communities participating in joint ventures to share ownership of generation and transmission facilities – including Ohio's first commercial wind farm, located near Bowling Green.*

About Blue Ridge – *Blue Ridge Power Agency ("Blue Ridge") is a nonprofit, "joint action" agency that operates as directed by the Board of Directors. The ultimate goal of the organization is to pursue those activities that will ensure the most reliable, and lowest cost wholesale electric power supplies possible for its members today and in the future. There are currently 10 members of the agency, consisting of seven municipalities, one state institution and two electric cooperatives.*

About MSCPA - *Michigan South Central Power Agency is a municipal joint action agency formed in 1978 to serve its five member communities. The Agency owns and operates a 50 MW coal-fired generating station located in Litchfield, Michigan, and has developed two additional generation projects, as well as securing ownership in the METC transmission system for its members. As an "all requirements" provider, MSCPA is responsible for delivering 100 percent of the electric needs of each of its members.*