



American Municipal Power, Inc.
1111 Schrock Road, Suite 100
Columbus, Ohio 43229
Phone (614) 540-1111
www.amppartners.org

NEWS RELEASE

Contact: Kent Carson
Sr. Director of Communicaiions
Phone: (614) 540-0842
Cell: (614) 578-5389
E-mail: kcarson@amppartners.org

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GROUND BROKEN ON THIRD AMP HYDROELECTRIC PROJECT

- LARGEST OF SIX PROJECTS BEGINS CONSTRUCTION

WILLOW GROVE, KY: Kentucky Governor Steve Beshear was the keynote speaker as American Municipal Power, Inc. (AMP) celebrated the latest ground breaking in AMP's development of six run-of-the-river hydroelectric projects on the Ohio River. The project, being built at the Captain Anthony Meldahl Locks and Dam, will add 105 MW of new, renewable generation to the region.

The Meldahl Hydroelectric facility is being develop in partnership with the AMP member community of Hamilton, Ohio. The City of Hamilton holds the license for the facility and will own 51 percent of the plant.

"With the Meldahl project partnership, Hamilton continues its goal of providing cheap, green, renewable energy to Hamilton citizens," said Hamilton Mayor Patrick Moeller.

AMP is currently undertaking the largest development of new run-of-the-river hydroelectric generation in the country. A total of six projects are being developed at existing dams on the Ohio River – three of which are now under construction. Combined, these projects will add more the 350 MW of renewable generation, and create jobs and economic development in the region. The Meldahl Hydroelectric Plant is being developed on behalf of 48 AMP member communities participating in the project.

“AMP is committed to helping our member communities diversify their power supply portfolio and increase their use of renewable generation,” AMP President/CEO Marc Gerken said. “The hydroelectric generation currently being developed by AMP is a large part of a coordinated effort to reduce our members’ over-dependence on the volatile wholesale market and create a balanced power supply. At the same time, this development effort is creating jobs and economic development in the region.”

The approximately \$500 million Meldahl project will employ 200-400 construction workers and provide 7-9 permanent operating positions. The project is expected to begin generating power in Spring 2014.

AMP’s hydroelectric project development is providing a significant boost to the economic well-being of the region. AMP signed a contract with York, Pennsylvania-based Voith Hydro for the manufacture of turbines and generators for the first four facilities. The more than \$420 million contract was the largest executed to date by Voith. Voith recently opened a manufacturing facility in Hannibal, Ohio to help fulfill the contract, with the potential to create approximately 50 new jobs.

In addition to the Meldahl project, AMP is developing facilities on the Ohio River Smithland, Cannelton, RC Byrd, Willow Island and Pike Island dams. Construction started in July 2009 on the Cannelton project and in April 2010 on the Smithland project.

“This is obviously a large undertaking,” Gerken said. “However, the Ohio River dams represent a valuable, largely untapped resource of renewable power. We’re proud of these projects and glad to be starting construction on the third facility. Our members are

committed to providing a cleaner, safer, healthier and stable power supply portfolio to their customer/owners.”

More than 150 people attended the ground breaking.

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About AMP

American Municipal Power Inc. is the wholesale power supplier and services provider for 128 member municipal electric systems in Ohio, Pennsylvania, Michigan, Virginia, Kentucky and West Virginia. The organization operates and maintains a number of generation assets that include coal, hydroelectric, wind, natural gas and diesel units and is currently developing new generation assets on behalf of its members. This effort includes the largest deployment of new run-of-the-river hydroelectric generation in the country. In addition the organization provides a variety of related services to its members, including safety programs, technical services, financial programs, legislative, regulatory and legal representation as well as community outreach programs. For more information: www.amppartners.org