

PRAIRIE STATE

Generating Company

FOR IMMEDIATE RELEASE

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Moving Energy Forward

Prairie State's Unit 2 of Power Plant Goes Live

MARISSA, IL - Unit 2 of Prairie State Energy Campus's 1600-megawatt power plant went live today, producing commercial power for its nine owners and their 2.5 million customers. Unit 2 is now under the control of the Prairie State Energy Campus (PSEC) team, a significant milestone in the process of completing the largest coal-fueled power plant built in the U.S. in the last 30 years. Beginning November 3, 2012, all 1,600 megawatts of PSEC power will be scheduled by the PSEC Owners for the benefit of and use by its municipal and electric cooperative customer/members, from Missouri to West Virginia.

Higher Output, More Efficient, with Proven Economics

Recent tuning and performance testing has yielded excellent results for the benefit of its owners. The Campus will exceed its rated capacity of 1,600 MW and be more efficient, therefore lower cost to operate and more friendly to the environment. PSEC also started sending its coal combustion residuals (CCR's) to the adjacent Near-Field facility, which also significantly reduces operating costs for the next 30+ years. Both units have been tested and are being scheduled at higher than their nameplate capabilities of 800 MW per unit; Unit 1 at 812 MW and Unit 2 in excess of 809 MW. Performance testing also indicates that both units are operating more efficiently, approximately 1% better than guaranteed. The higher output capability, better efficiency, and lower operating costs associated with the Near Field facility further support the PSEC being one of the lowest dispatch cost coal units in the U.S. fleet providing PSEC's Owners with a financially sound and sustainable investment for their member communities for the next 30-plus years.

Environmental Emissions Success Story

PSEC's environmental operating characteristics will allow the units to perform in the top 6 percent of coal-fueled power plants in the nation, making it one of the cleanest power plants ever constructed. The actual operating performance to date of PSEC's air quality control system puts PSEC in the top 2 percent of coal fired power plants in the nation for NOX removal, and top 10 percent of coal fired power plants for SOX removal.

PSEC's journey to produce power with Illinois Basin coal began in the early 2000s, the vision of its 9 owners with a desire to use domestic energy resources to provide stable

and competitively-priced power to their customers. Designed as the new face of coal, PSEC is a coal mine and a power plant built on the same campus.

Located in Washington County, Illinois, an hour south of St. Louis, PSEC invested more than \$1 billion in environmental emissions control equipment, allowing it to meet and exceed the newest U.S. EPA and state regulations. During peak construction, the PSEC employed over 4,000 union tradesman and woman paying over \$1billion in wages, and will employ over 550 permanent employees. PSEC owners are eight Midwestern public power agencies and rural electric cooperatives and Peabody Energy. Public power and electric cooperatives are operated by local government boards to provide communities with reliable, responsible, not-for-profit power. For more information, please visit our website: www.prairiestateenergycampus.com.

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