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FOR IMMEDIATE RELEASE

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CVEC Joins American Municipal Power Project – Acquires 15 MW of Renewable Energy

Lovingsston, VA: American Municipal Power Inc. (AMP) has agreed to provide 14.6 megawatts (MW) of renewable energy to the members of Central Virginia Electric Cooperative (CVEC) from a run-of-the-river energy source on the Ohio River.

American Municipal Power and CVEC announced the agreement that will allow the Virginia Cooperative to own a combined 8.9% of two hydroelectric generation facilities — the 84 MW Cannelton Hydroelectric Plant near Hawesville, Kentucky and the Smithland Locks in Livingston County, Kentucky.

The Cannelton facility is the first of five such plants under development at existing dams on the Ohio River, a project that has been lauded for utilizing the force and flow of the river to produce green, renewable and sustainable energy.

Gary Wood, the President and CEO of Central Virginia Electric Cooperative commented on what the Ohio River facilities mean to the Virginia Cooperative's membership. "CVEC is diligently working to lock down new sources of wholesale power for our cooperative member-owners. Not only does the AMP Hydro project provide 10% of our near term energy needs, but these hydro facilities will provide reasonably-priced renewable energy for the next half century."

Wood said that AMP has demonstrated broad vision and strong leadership in the development of the AMP Hydro project and complimented AMP Board of Trustees and President/CEO, Marc Gerken for tapping the Ohio River resources for the benefit of CVEC members and other energy consumers.

Gerken offered his thoughts on the scope and impact of the five hydroelectric facilities. "This ambitious project is the largest deployment of new run-of-the-river hydro in the country. It will bring more than 350 megawatts of new, renewable generation into the region and will help make the Ohio River Valley a showcase for alternative energy sources."

(More)

The Cannelton Hydroelectric Project is scheduled to begin commercial operation in 2013 with the Smithland facility scheduled to be online by 2015. Seventy-nine AMP member communities in five states are participating in the project.

The AMP Hydro project was the first significant power generation investment that CVEC has made in its 73 year history. Gary Wood commented. "Owning generation resources is a new direction for our Cooperative, but one that our Board thought would provide ongoing benefits. On a typical day, more than 3000 members will have their homes powered by our AMP Hydro generation."

Central Virginia Electric Cooperative is a member-owned electric utility serving more than 34,000 member accounts in 14 central Virginia counties.

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