



# CPV

## **Maryland Hearing Examiner Issues Order Granting Permit for Construction and Operation of CPV Charles County Power Plant**

*Company Awaits Maryland Public Service Commission Ruling on Long-term Power Contracts to Address Projected Gaps in Energy Supplies in 2011-2012*

**SILVER SPRING, MD (October 24, 2008)** – Maryland-headquartered Competitive Power Ventures (CPV) today announced a Maryland hearing examiner had recommended granting of a permit by the Maryland Public Service Commission that will allow construction and operation of a new 640 megawatt power plant in Charles County.

The proposed order by Joel M. Bright, a hearing examiner for the Public Service Commission, grants a Certificate of Public Convenience and Necessity (CPCN) for CPV to construct and operate the plant and accepts a settlement on permit conditions between CPV and Maryland state agencies. The order will be effective on November 8, 2008, unless it is modified by the Commission.

“Completion of the state environmental permitting process will be a major step forward in CPV’s plans to construct a state-of-the-art natural gas power plant in Charles County,” said Doug Egan, Chairman and Chief Executive Officer of CPV, which is headquartered in Silver Spring. “CPV St. Charles will be one of the cleanest natural gas plants ever licensed in this state and will offer a clean, cost-effective and reliable supply of Maryland-generated electricity to meet our region’s growing energy needs.”

CPV filed its state permit application in December for the plant, which would provide power to roughly 600,000 homes, and the state has held public hearings in Charles County as part of its review.

The permit conditions agreement notes that issuance of a CPCN by the Maryland Public Service Commission for CPV St. Charles is in the public interest as construction of the Project will assist Maryland in addressing a predicted shortfall in electric generation in the in the 2011-2012 time period. The agreement also says that construction and operation of the project in accordance with the conditions in the agreement “would meet or exceed the requirements of all currently applicable environmental laws and regulations, including those relating to noise abatement and the control of air and water pollution.”

Bright agreed with these conclusions in his proposed order accepting the agreement between the company and the state agencies.

"With the proposed order now issued, the next step is to complete discussions with Charles County on the use of reclaimed water from the Mattawoman Wastewater Treatment Plant and on the overall development agreement for this project," said Sharon Segner, the CPV director who leads the project.

"CPV is working hard to get to 'yes' in our discussions with Charles County on the use of reclaimed water for cooling purposes at CPV St. Charles," Segner said. "Completing these negotiations is critical to bringing this plant on line as soon as possible, and we appreciate the county's leadership in working towards an agreement on these matters." Charles County Commissioners on October 1 approved in a 5-0 vote a resolution of support for the project.

After the issuance of all necessary local, state and federal permits, construction on CPV St. Charles is targeted to begin in the first half of 2009 and targeted to be completed in early 2012.

In another matter, the Maryland Public Service Commission is seeking ways to address a projected shortfall of reliable energy supplies. CPV has urged the Commission to include long-term contracts as part of the solution, and has said that the Commission's decision on the long-term contracts will be a key element to the efforts to move forward with the planned CPV St. Charles plant.

"CPV St. Charles is at an advanced stage of development and will be one of the only Maryland projects that can help address the projected reliability gap in supplies of electricity in the state," Egan said. "CPV stands ready to serve this need and provide power to Maryland customers starting in 2012, but we would like the commission to require longer-term contracts with competitive baseload power projects such as CPV St. Charles. These longer-term contracts are critical to obtain financing for these projects given the serious and volatile conditions in the nation's credit markets."

### **About Competitive Power Ventures**

CPV Maryland, LLC is a wholly-owned subsidiary of Competitive Power Ventures. Established in 1999, Competitive Power Ventures is a North American power industry development and asset management company. In addition to its Silver Spring, Maryland headquarters, CPV has offices in Boston and San Francisco. The company's development professionals have played critical roles in the successful development of more than 30 power plants, representing over 15,000 megawatts of currently operational power generation capacity. CPV is majority owned by Warburg Pincus. For more information, visit [www.cpv.com](http://www.cpv.com).

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