



**** PRESS RELEASE ****

Jan. 11, 2017: Clean Energy Future, LLC (CEF) is pleased to announce that it has formed a team consisting of:

- Siemens Energy: equipment supply (\$ 100 Billion market capital)
- Fluor Corp.: Engineering, procurement and construction contractor (\$ 19 Billion/yr sales)
- BNP Paribas: Financial Advisor (7th largest bank in the world)
- Siemens Financial Services: Power systems financing

... to formally advance development of the Trumbull Energy Center (TEC) Project in Lordstown, OH.

TEC will be a new 940 MW gas-fired electricity production project to be located within the Lordstown Industrial Park, just east of Rt. 45. Under current plans, the facility will be financed by Dec. 2017, break ground in Jan. 2018 and be fully operational by May 2020. Its wholesale output will be adequate to meet the electricity needs of about 850,000 Ohio homes. The timing of TEC is such that it will be ramping up its construction as the adjacent and current Lordstown Energy Center (LEC) Project is ramping down. In essence the local union work forces will have a new project beginning just as the prior project comes to a conclusion, adding another 2 ½ years of steady employment for 100's of construction workers.

The development of TEC will help offset the loss of local electricity production from vintage and now uneconomical regional coal-fired plants that are retired, such as: Niles, Ashtabula, Eastlake, Lake Shore and Sammis (units 1-4 in '20). Across all of Ohio, a total of 10,295 MW of vintage coal plants have closed to date. At the same time, non-utility firms such as CEF has met 100% of such a coal shortfall by bringing private investment to Ohio to build projects like LEC and TEC. Currently there are 11,386 MW of non-utility gas-fired projects in Ohio either running, in construction or in advanced development. These 12 modern gas-fired projects represent about \$12 Billion of new investment in Ohio, resulting in a need for 18,000,000 man hours of construction labor.

A single project the size of TEC has a life-time (40 yr) positive impact on the Valley and Ohio, measured at about \$14 Billion. There are numerous ways that a plant like TEC provides such benefits: new construction jobs, purchase of local construction goods/services, Village salary tax, State sales tax, local property tax, water purchase, wastewater service purchases, new full-time jobs, State income tax, purchase of local gas transport services, purchase of Ohio-produced

natural gas, Village income tax, and local labor/parts necessary for plant maintenance/turn-around.

The previously mentioned economic benefits of such non-utility projects do not include the other equally significant benefit to every homeowner, business and industry in Ohio...long-term lower electricity energy costs. Ohio is blessed with abundant, low-cost shale gas. In fact, Utica shale gas is the lowest cost gas in the entire country. Low cost natural gas, when processed in a modern plant like TEC results in an electricity energy cost ($\text{\$/kwh}$) that is 50% less than electricity energy produced from coal. By being part of a 13-State PJM free market electricity system, Ohioans benefit from competitive forces that keep electricity energy costs low. This kind of competition is good for the homeowner and good for Ohio. In fact, in Dec. 2016 a joint Ohio St. Univ./Cleveland St. economic study pointed out that when consumers have free choice to go out and select their low cost power supplier via “customer choice”, vs. having to buy electricity from a monopoly utility marketplace, Ohioans save \$3,000,000,000 per year.

For all these reasons, CEF is pleased to be working hand-to-hand with the Village of Lordstown and its neighbors, Warren, Niles, Meander Water and Trumbull/Mahoning Counties to make TEC be a success for the benefit of the entire Valley and Ohio.

The TEC Project is expected to be an approximate \$ 900 million financing. Projects of this scale and complexity require an incredible amount of coordination and planning by all the parties involved. It should be pointed out that not everyone wants TEC to succeed and reach a successful conclusion. At the opposite end, Ohio monopoly electricity utilities: First Energy (Ohio Edison parent) , AEP and DP&L are working 24/7 to make sure TEC doesn't happen, nor any future non-utility project that is similar, anywhere in Ohio. Ohio's electric utilities, working with their own senior management/staff, plus lobbyists and consultants will be pushing a cause call “re-regulation” or “re-reg” in the 2017 Legislative session. Their “re-reg” program has three (3) features:

- Obtain a subsidy payment for un-economical coal plants
- Stop all future non-utility gas-fired plants, so that only monopoly utilities can build
- Remove “customer choice”, so residents can no longer shop for low-cost electricity

CEF has carefully evaluated the economic impact of all 3 parts of “re-reg”. “Re-reg” equates to a \$100 Billion bailout to Ohio's utilities and their investors, paid for solely by ordinary rate payers. The details behind this subsidy and “who benefits from re-reg ?” can be found on CEF's web site at : www.cleanenergyfuturellc.com.

CEF, and other non-utility entities, as well as other parties interested in a strong and vibrant Ohio will be working diligently to educate Ohio's Legislature of the perils of “re-reg” and why it should be rejected in total. There is a greater good for Lordstown, Warren, Niles, Youngstown, the “Valley” and Ohio that we believe is worth the fight. The TEC project, together with LEC,

will be reliable, low-cost electricity production resources for N.E. Ohio and well worth our collective efforts to reach a successful conclusion.

About Clean Energy Future: CEF is a privately held firm dedicated to the development and long-term operation of clean, quiet, low-cost and reliable electricity generation facilitation. CEF has been involved in this non-utility business since 1980 and has completed 35 such facilities representing 14,350 MW of generation capability. By the end of 2017, CEF will have completed five (5) gas-fired projects in Ohio representing \$ 4.5 Billion of new investments in Ohio. CEF is headquartered in Manchester, MA.