



**-NEWS RELEASE -**

**CPV and Partners Close Financing and Start Construction on \$900 Million Sentinel Standby Power Project in Desert Hot Springs**

**-Overwhelming Local Support Pushed Project Over Goal Line-**

DESERT HOT SPRINGS, CALIF.—May 31, 2011—Competitive Power Ventures, Inc. (CPV), GE Energy Financial Services and Diamond Generating Corporation (DGC), co-owners of the planned \$900 million CPV Sentinel power plant, announced today that they have closed the largest project financing in the U.S. thermal power industry this year, for the facility to be built in Riverside County, Calif.

The CPV Sentinel project is located near Desert Hot Springs, five miles northwest of Palm Springs. It is expected to create 300 construction jobs at peak with a \$40 million payroll, along with nearly 400 indirect jobs with a \$15 million payroll. The project will provide an estimated \$30 million in sales tax during construction and an estimated \$6.4 million in annual property taxes once operational.

“In particular, we would like to thank: Assemblymember V. Manual Perez, who championed AB1318, and his colleagues Assemblymember Brian Nestande and State Senator Bill Emerson. We would also like to thank the Riverside County Supervisors Marion Ashley, John Benoit and the late Roy Wilson. The Mayor of Desert Hot Springs Yvonne Parks, Desert Hot Springs Councilmember Scott Matas, City of Coachella Mayor Pro Tem Steven Hernandez, the city governments of Palm Springs and Cathedral City, and finally, the Desert Water Agency Board of Directors were all instrumental in the success of this project,” said Braith Kelly, Senior Vice President of Competitive Power Ventures. “Each of you played a crucial role in bringing jobs and a major economic driver to the region.”

CPV, GE Energy Financial Services and DGC announced that 23 banks—working with lead arrangers MUFG, Royal Bank of Scotland, ING, Natixis and Sumitomo Mitsui Banking Corp.—agreed to provide credit facilities of nearly \$800 million for construction and other capital needs. With almost \$2 billion of commitments received from lenders, interest in the project was so high that the syndicated loan was 2.4 times oversubscribed. Additional details of the financing were not disclosed.

With all permits finalized and the debt financing in place, Gemma Power Systems California, Inc. is scheduled to start construction of the 800-megawatt (MW) project immediately, with CPV Sentinel scheduled to go into commercial operation in the summer of 2013.

CPV Sentinel will help prevent blackouts during extremely hot weather by providing peak power on demand. Given CPV Sentinel’s close proximity to 600 MW of wind farms, the project also will support California in meeting its goal of generating 33 percent of its power from renewable sources by 2020 by facilitating the integration of wind and solar power into the electric grid. California is requiring the largest

addition of renewable generation of any U.S. state. When the wind doesn't blow or the sun doesn't shine, CPV Sentinel can backstop the lost generation.

The CPV Sentinel project will supply power to the Coachella Valley and Los Angeles Basin under a long-term agreement with Southern California Edison, an Edison International (NYSE: EIX) company, which needs additional capacity for grid reliability and renewable integration. CPV will manage the project while DGC will serve as the plant operator.

"DGC is pleased that we will be a part of this important project in Southern California, helping to provide reliable electricity for the community in which we live and work and bringing much-needed economic development to the region," said DGC President Yasuyuki Asakura.

CPV, the managing member and developer, owns 25 percent of the project, while DGC owns 50 percent and GE Energy Financial Services owns 25 percent.

### **About Competitive Power Ventures**

Competitive Power Ventures, LLC (CPV) is dedicated to increasing North America's sustainability; both economically and environmentally. Using domestically available energy sources, like wind and natural gas, and partnering with host communities to support their tax base and school districts, CPV works to stabilize and improve local and state economies. CPV's corporate mission is built around a belief that progressive companies can be powerful agents of change for a better world and a cleaner environment. To this end, we have focused our core activities around developing and operating energy facilities that can make a significant difference in improving the environments and economic circumstances of the regions in which they are located. Headquartered in Silver Spring, Md., with offices in Braintree, Mass., San Francisco, Calif., and Toronto, Ontario, the company currently has 5,965 MW of conventional generation projects in various stages of development. The company's Asset Management division has ramped up to more than 4,737 MW of natural gas generation under management and has expanding into wind generation facility management. CPV Renewable Energy Company (REC) is currently developing 4,452 MW of wind power projects across North America, with plans for more. CPV REC has recently expanded its development portfolio to include utility scale solar power generation.

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