

# THE EXECUTIVE SUMMARY

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## VISIBLE SYMBOL OF STRENGTH, RELIABILITY

### Ground broken for peaking plant

September 15 will likely be remembered as a historic date for Wabash Valley Power. That's when Wabash Valley and Hoosier Energy executives joined forces to break ground on the Lawrence Generating Station.

"It's the first time since 1982 we're actually putting steel in the ground," explained Wabash Valley Chief Operating Officer **Rick Coons**.

"We see the Lawrence project as a very visible symbol of the continued strength and reliability of Wabash Valley and the electric cooperatives we serve," Rick added. "It will enhance the reliability of the electric supply and help us manage the inherent risks in the electric power market."

Rick was joined at the site, located between Bedford and Mitchell, by Hoosier Energy President/CEO **Steve Smith**, Lawrence County Commissioner **Tim Terry**, and State Senator **Becky Skillman**, and directors and staff from both Hoosier Energy and Wabash Valley.

The Lawrence Station represents the first time Wabash Valley has entered into a generation project from the project's inception. When it goes on line

in May 2005, the six-unit simple cycle natural gas-fired peaking plant will provide up to 258 mega-

watts of electricity to help meet the power needs of nearly half a million electric cooperative members. Hoosier Energy will operate the plant and own four generating units. Wabash Valley Power will own two units.

for the successful completion of the project. Our ability to work together and share costs is vital, so that

in the future.

The \$86 million peaker will use natural gas and combustion turbine engines

to generate power when consumer demand is high, or when plants that normally provide base load are temporarily out of service. Rick stressed that the Lawrence Station will only address local needs. "The power this project generates will not be shipped to faraway states. It will serve local customers right here in the Midwest."

The new facility, which will employ five to eight workers, is a key component of Wabash Valley's largest construction budget in decades. "It will be one of the most economical



Shown here at the Lawrence County ground breaking ceremony: **Lee Wilmes**, Wabash Valley; **Phil Carrington**, Parke County REMC; **Keith Thompson** and **Rick Coons**, Wabash Valley; **Jim Keffaber**, Wabash County REMC; **Joe Hathaway**, Tipmont REMC; and **Jeff Conrad**, Wabash Valley.

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During the ceremony, Rick praised the collaboration between the two associations. "We knew that Hoosier Energy would be a very good partner," he said. "They shared the same goals and aspirations

we can maintain low electric rates for our members-owners." He added that he expects more collaborative efforts with Hoosier Energy

generation projects of its kind ever built in Indiana and will meet all the latest environmental regulations," Rick said. **W**

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- *Familiar faces speak at region meeting*
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