

FACT SHEET

Tenaska Lebanon County Generating Station

(Pennsylvania)



The 885 MW Tenaska Virginia Generating Station near Scottsville, Va., is a natural-gas fueled plant that produces electricity in an environmentally responsible manner.

Tenaska, a respected energy developer, is evaluating a site in north Lebanon County, Pennsylvania, at which to construct and operate a state-of-the-art electric generating facility. Fueled by clean-burning natural gas, the plant would bring hundreds of construction jobs, permanent well-paying jobs, and power to meet the growing demand for electricity in the region. The plant would be operated in an environmentally responsible manner. Three of Tenaska's plants have received "Project of the Year" honors from industry sources. In 2008 benchmarking studies, the Natural Resources Defense Council, a national environmental advocacy group, ranked Tenaska as having the best record among U.S. energy companies for controlling emissions.

Electricity Production

Tenaska has based its plan on a maximum 950-megawatt (MW) electric generating facility, although the plant could be smaller. At 950 MW, the plant would produce enough power to meet the energy needs of approximately 950,000 homes. The electricity would be sold into the PJM Interconnection regional transmission organization to meet growing regional energy needs. The PJM Interconnection assures the electric reliability of the largest centrally dispatched grid in North America, including the state of Pennsylvania.

Facility Site

More than 350 acres have been purchased or are under option near the intersection of Hwy 343 and Kercher Avenue in North Lebanon Township. Typically, the power generating station itself covers about 50 acres. The site's natural topography and mature trees will be maintained to provide a significant buffer between the plant and the nearest neighbor.

Economic Impact

If built in Lebanon County, Pennsylvania, the facility would:

- Result in either more property tax revenue or significant in-lieu-of-taxes revenue to local units of government;
- Boost the local economy, with a total estimated construction cost of more than \$500 million; and
- Provide more than 300 jobs during construction and up to 30 permanent, well-paying jobs during operation.

Environmental Effects

Natural gas is recognized as today's cleanest commercial fossil fuel for power generation. The plant would utilize the latest emission control technology to meet or exceed all local, state and federal environmental standards and permits. The plant would be fuel efficient. At Tenaska's combined-cycle facilities, the heat and energy produced by combustion of natural gas drives turbine-generators to produce electricity. The exhaust heat from that process is used to produce steam which drives a steam turbine-generator to produce more electricity with less fuel.

Key Facts

Tenaska is evaluating a site in northern Lebanon County to build a clean-burning natural gas-fueled electric generating station with a stated capacity of no more than 950 MW of electricity.

Location

The site selected for evaluation is more than 350 acres near the intersection of Hwy 343 and Kercher Avenue in North Lebanon Township.

Schedule

Project development begins in 2009; Earliest construction start in 2011; Earliest commercial operation in 2013.

Use of Water Resources

Tenaska is evaluating options for meeting the water needs of the Lebanon County facility. Typically, Tenaska facilities cycle water through the cooling process multiple times.

Fuel Supply

Existing on-site regional natural gas pipelines would transport clean-burning natural gas to the facility.

Customer

The facility would connect to the PJM Interconnection regional transmission organization, which coordinates movement of power in all or parts of 13 regional states and the District of Columbia, including Pennsylvania.

Facility Ownership

A Tenaska affiliate would build, own and operate the plant.

About Tenaska

Tenaska, Inc. is an energy company based in Omaha, Nebraska, with an international reputation for building high-quality, efficient and environmentally responsible energy projects. Tenaska develops, constructs, owns and operates non-utility electric generation and cogeneration plants. It currently owns and operates eight natural gas-fueled plants in six states, a total of 6,800 MW.

Additional information about Tenaska is available at www.tenaska.com.

COMMUNITY BENEFITS

Tenaska Lebanon County Generating Station

Economic Impact

During Construction:

- The project would boost the local economy, with a total estimated construction cost of more than \$500 million;
- Money spent for construction materials and wages would directly impact the county, region and state economies;
- Money re-spent on goods and services creates indirect impact on local economy; and
- The facility would create approximately 300 construction jobs.

During Operation:

- The facility would add up to 30 well-paying, permanent jobs to the local economy.
- Facility would contribute millions annually in salaries and payments for locally contracted services and supplies.

Local Tax Revenue

The plant would either more property tax revenue or significant in-lieu-of-taxes revenue to local units of government. During its

operational life, the plant would cause little demand for local services, such as schools, police, or roads.

Citizenship

Community involvement would occur both at the corporate and individual levels.

Examples:

- Tenaska employees at eight plant sites donate more than 9,000 hours in community service and charity annually.
- Tenaska plants regularly work with local fire departments, scout troops and civic groups to assist those in need.
- Tenaska sponsors a college scholarship program to benefit local high school students, including scholarship funds earmarked for local students. To date, more than 465 students have received \$308,500 in college scholarships.

In 2008:

- Tenaska Virginia Generating Station won Virginia Governor's Volunteerism and Community Service Award.
- Tenaska Georgia Generating Station was named Heard County Business of the Year.

"Revenue generated by Tenaska has been a big boost for our schools, fire departments and public services. This financial aid could not have come at a better time.

My thanks and gratitude are extended to Tenaska for keeping your commitment to be a responsible business, and for showing leadership in maintaining and enhancing the quality of our lives here."

– Clyde Chambliss, Former Autauga County Commissioner, Prattville, Alabama

2008: Tenaska Recognitions by Peers, Government and Neighbors

- *Forbes* magazine ranked Tenaska as 24th in revenues among the 441 largest privately-held U.S. companies, based on 2007 revenues.
- Employees at Tenaska Ferndale Cogeneration Station were awarded the nation's highest safety award, the Voluntary Protection Programs (VPP) Star Worksite Award. This OSHA cooperative program is administered by the Washington State Department of Labor and Industries' Division of Occupational Health and Safety. Only 2,000 out of 7.2 million worksites across the nation and only 28 worksites in the state of Washington have achieved the VPP Star designation. The Ferndale Chamber of Commerce named the plant its business of the month in honor of its commitment to safety.
- Tenaska Virginia Generating Station was recognized by the Virginia Department of Education with a regional 2008 Creating Excellence Award for its support of career and technical education. Employees at the plant were recognized for their partnership with Fluvanna County Schools, including collaboration with the high school robotics team at the Virginia Tech Challenge.
- *Fortune* Magazine ranked Tenaska as 25th among the 35 largest privately-held U.S. companies, based on 2007 revenues.
- Tenaska was listed by the Natural Resources Defense Council in 2008 benchmarking studies as having the best record among companies in the U.S. that generate power from fossil fuels for controlling emissions of carbon dioxide and as one of the top performing companies for controlling emissions of nitrogen oxide and sulfur dioxide.
- Seven Tenaska-owned and operated plants and two private equity assets managed by Tenaska Capital Management, LLC earned a combined total of 21 safety awards from the National Safety Council (NSC). The awards recognized the plants' outstanding safety records compared to energy-related facilities across the United States. The Tenaska Ferndale cogeneration plant in particular has operated more than 14 years without an occupational injury or illness involving days away from work.
- Four Tenaska plants earned ten individual Best Practices awards from the leading industry magazine *Combined Cycle Journal* for their achievements in Environmental Stewardship, Management, Operation and Maintenance (O&M) and Safety.
- The Tenaska Central Alabama Generating Station received two Best Practices awards for:
 - Employee training and monitoring programs that led to zero tube failures in the mechanical equipment that generates steam for the steam turbine;
 - Ongoing employee commitment to increasing plant efficiency by lowering the heat rate, the amount of heat energy required to produce one megawatt of electricity.
- The Tenaska Lindsay Hill Generating Station employees received two Best Practices awards:
 - Best of the Best award for improving the start time of the steam turbine to more than one hour below the average for that class of turbine; and
 - Best Practices award for making a series of improvements to steam valves associated with the steam turbine so they operate more reliably and safely.
- Tenaska Virginia Generating Station employees were awarded three Best Practices awards for:
 - Employee cross-team training program to familiarize both plant operators and maintenance personnel with each others' responsibilities and improve collaboration;
 - Employee use of a comprehensive manual that outlines clear procedures for environmental stewardship; and
 - Development of an innovative strategic information management system that captures employees' personal experiences, observations and knowledge related to their daily tasks and specific equipment to ensure effective maintenance and repair.
- Tenaska Virginia Generating Station is the business recipient of a 2008 *Virginia Governor's Volunteerism and Community Service Award*. The plant was nominated for the award by the Fluvanna County Department of Social Services and the Fluvanna County Public Schools superintendent for employee involvement in elementary and middle school tutoring and mentoring programs. Read about the award in the *Fluvanna Review*.
- Tenaska Georgia Generating Station was named Heard County Business of the Year for employee and plant support of numerous community events, including the Chamber's Youth and Adult Leadership Programs, school fall festivals, reading programs, mentoring programs, youth recreation sports, the Chattahoochee River Cleanup Project, and the March of Dimes Annual Walk.