



DEMEC

Delaware Municipal Electric Corporation

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Press Release:

DEMEC ANNOUNCES AGREEMENT TO PURCHASE POWER FROM BLUEWATER WIND

*The First State Gets the Nation's
First Offshore Wind Power Agreement*

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SMYRNA, DE: Today, the Delaware Municipal Energy Corporation, Inc. (DEMEC) has announced that it has reached an agreement with Bluewater Wind Delaware, LLC for the wind power company to provide low cost, reliable and clean power to the Joint Action Agency. DEMEC represents nine municipally-owned electric distribution utilities located in the state. The DEMEC member communities are Newark, New Castle, Middletown, Dover, Smyrna, Seaford, Lewes, Clayton and Milford.

“We are pleased to reach this agreement with Bluewater Wind. As a provider of electricity to these nine municipalities in our state, we are committed to promoting the development and use of reliable green energy sources while we continue to provide lowest cost, reliable electric service,” said Patrick E. McCullar, the President and CEO of DEMEC today when announcing the agreement. “This agreement, when fully implemented, will be good for our communities and it will be good for the environment in Delaware. Our customers have been asking for this. It is as strong a win-win outcome for our citizens as I have ever seen.”

The agreement between DEMEC and Bluewater Wind is for the offshore wind energy generator to supply electricity, associated capacity, and related environmental attributes (also called Renewable Energy Credits) to DEMEC for 20 years. The contract is the first in the nation to provide for the purchase and delivery of energy from an offshore wind park and is valued between \$200 million and \$300 million over the life of the contract.

“We believe Bluewater Wind is the perfect partner for DEMEC because of their commitment and the desire of their community-owned utilities to promote the use of clean sustainable electricity while providing their customers with certainty through the purchase of stable priced power for 20 years,” said Peter Mandelstam, the president of Bluewater Wind Delaware LLC. “We are excited about this opportunity. We are committed to bringing offshore wind to the US after 15 years of its successful operation in Europe.”

The agreement between DEMEC and Bluewater Wind is contingent on Bluewater Wind reaching agreement with Delmarva Power and Light to sign a long-term Power Purchase Agreement under an ongoing competition in

Delaware to bring stable priced, environmentally sustainable, in-state power to Delaware. The Public Service Commission and members of Governor Ruth Ann Minner's Administration are due to select among wind, gas, and coal to negotiate with Delmarva on May 8th.

The Delaware Municipal Electric Corporation, Inc (DEMEC) (www.demecinc.net) is a joint action agency providing power supply to nine municipally-owned distribution utilities in Delaware through owned generation assets and power purchased from other generators in the PJM region.

Bluewater Wind is leading the way in the Northeast, developing offshore wind energy projects that will bring the advantages of clean, stable-priced, renewable wind energy to millions of coastal residents. Please see www.Bluewaterwind.com for more information.

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