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FOR IMMEDIATE RELEASE

July 9, 2009

City of Dover, Delmarva Power, Partnering for 10 MW Solar Park *Utilities enter final negotiations for region's largest solar facility*

< DOVER, DE> The City of Dover and Delmarva Power are finalizing agreements that would lead to the construction of a 10 megawatt, solar power plant on the city's Garrison Oak Technology Park, to be named Dover SUN Park. Dover's Utility Committee will be reviewing one of the foundational contracts, a solar energy purchase agreement, at its regularly scheduled Committee meeting July 13, 2009 at 5pm followed by a recommendation to City Council.

The Dover SUN Park would be the first, utility-scale, solar power plant in the region and would be owned by White Oak Solar Energy, LLC, an affiliate of LS Power. The project would supply enough clean power for more than 1,700 homes and create about 150 local jobs during construction. In addition to Delmarva Power, the Delaware Municipal Electric Corporation (DEMEC) and the state's Sustainable Energy Utility (SEU) are also considering participation in the project.

“This is a very exciting project for the City of Dover, the State of Delaware and our nation as we all work together to reduce carbon dioxide emissions by investing in clean energy,” said Dover Mayor Carleton E. Carey, Sr. “Dover’s leadership in this project demonstrates not only our commitment to renewable energy but also the wisdom of the State’s legislators who allowed for the creation of voluntary renewable energy programs. We look forward to finalizing this agreement with LS Power and working with Delmarva Power, as well as other utilities, and state and federal agencies.”

“Dover also wishes to recognize Pace Global Energy Services for its guidance and expertise – Pace represents our interests and has managed the process for all participants and stakeholders,” Mayor Carey said.

Delmarva Power President Gary Stockbridge said: “The Dover SUN Park, when finalized and combined with our four wind energy projects, will go a long way toward ensuring Delmarva Power meets the state of Delaware’s clean energy goals, which is for 20 percent of our power supply to come from renewable sources by 2019.”

“Delmarva Power is extremely proud to partner with the City of Dover and LS Power for such a ground-breaking renewable energy project,” Stockbridge said.

Dover has already initiated reduction of its carbon footprint by constructing a 5kW photovoltaic solar array at its Electric Administration building; a second photovoltaic solar array at the Dover Power plant is currently planned. Dover has also upgraded its power plants to utilize a cleaner fuel mix. The City recently began offering to all residents a free residential energy audit, where they will come to your home and with the aid of a thermal image camera, identify cost effective upgrades to conserve energy. In experimenting with energy efficiency, the city also has installed LED street lights which can be viewed along Walker Road.

Delmarva Power ranks among the first of its Mid-Atlantic Region peer utilities to meet the aggressive, renewable energy goals mandated by any one state. For instance, the company expects to be receiving energy for the first of its three new land-based wind farms by the end of this year; the solar project to be completed in 2010; and the offshore wind project to be up and

running between 2012 and 2014.

The SEU and Dr. John Byrne are thanked for innovative suggestions and efforts to support this project. As Senator Harris B. McDowell notes, "The Dover SUN Park is exactly the sort of initiative we need to move our State toward a sustainable energy future and the SEU is proud to promote its development."

The proposed Dover SUN Park resulted from a request for proposals initiated by the City in March 2008 seeking power-generating sources that were reliable, cost competitive and environmentally prudent. Following nine months of careful analysis, in December Dover selected a leading developer, LS Power, as its partner in planning and constructing the 90-acre solar pv project, the largest planned for the region to date. Dover, Delmarva Power, DEMEC, the SEU and LS Power with support from the State legislative and executive branches have been developing this project for the last six months to be a model of cooperation in the pursuit of innovative solutions to our collective energy and climate challenges. The Dover Sun Park will be the first tenant within the 389 acre Garrison Oak Technology Park, owned by The City of Dover.

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About City of Dover

The City of Dover is located in Central Delaware in Kent County and is the capital of Delaware. Dover is approximately 90 miles south of Philadelphia, PA, and 90 miles east of Washington, DC. While its population is significantly less than that of Wilmington, Delaware, Dover encompasses a larger area than any other city on the Delmarva Peninsula. In contrast to most major cities in the Northeast United States, Dover is continuing to grow economically, in population, and in land area. The City has an estimated population of 36,359.

About Delmarva Power

Delmarva Power, a public utility owned by Pepco Holdings, Inc. (NYSE: POM), provides safe and reliable energy to nearly 500,000 electric delivery customers in Delaware and Maryland and over 121,000 natural gas delivery customers in northern Delaware.

About DEMEC

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. For information call Patrick E. McCullar at 302 653-2733.

About SEU

The Sustainable Energy Utility serves the green energy needs of all households and businesses through a comprehensive package of services that includes high efficiency technologies and appliances, expansion of weatherization services, and implementation of distributed renewable energy such as solar electric systems. The SEU has been described as "perhaps the

most comprehensive energy savings and distributed renewables program in the United States” by the Institute for Electrical and Electronic Engineers. Visit <http://www.seu-de.org/>

About LS Power

LS Power is a power generation and transmission group with a proven track record of successful development activities, operations management and commercial execution. LS Power has been involved in the development, construction, or operations of over 20,000 MW of power generation throughout the United States. LS Power is actively developing both power generation and transmission infrastructure to serve the need for new generation and improve the aging transmission system. Highly regarded in the financial community, LS Power has raised over \$11 billion in debt and equity since 2005. For more information, see: www.lspower.com.

About Pace Global Energy Services

Since 1979, Pace has provided innovative energy services to support execution of business strategies, complex energy transactions, asset development and operations in over 40 countries on six continents. Headquartered outside Washington, D.C., Pace provides expertise and represents clients in all segments of the energy value chain from exploration, production and generation through transportation and distribution down to end use consumption. For more information, please visit (<http://www.paceglobal.com>) or call 703.818.9100.

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