GE Ships Final Gas Engine for New Sky Global Power One Plant in Texas

- **Six-Unit Order Represents Largest North American Power Project for GE’s 60-Hertz J920 FleXtra Gas Engine Technology**
- **Sky Global to Sell Peaking Power Generation to San Bernard Electric Cooperative, Inc.**

AUSTIN, TEXAS—September 8, 2015—GE (NYSE: GE) today announced that it has shipped the sixth and final Jenbacher J920 FleXtra gas engine for Sky Global Partners, LLC (Sky Global)’s “Sky Global Power One” power plant in Colorado County, Texas, beside San Bernard’s Rock Island substation. The final unit is expected to arrive in the U.S. in early September, completing shipment for the largest North American power project for GE’s J920 FleXtra gas engine so far. The plant, which broke ground in January, is expected to enter commercial operation in early 2016.

“This project is the center of our power strategy going forward. It provides us with unprecedented system security, protection from wholesale price spikes and the opportunity to increase the value of our cooperative,” said Billy Marricle, president and general manager of San Bernard. “Our agreements for this project are exceptional. We not only protect our members from rising peak power process, but we also invest and share in the value of the plant as we go. The plant is dedicated to our needs rather than to increase profits by selling to all customers in the segment.”

GE is providing six of its ecomagination qualified, 8.6-megawatt (MW) J920 FleXtra ultra-fast response, natural gas-fired engine generator sets for the 51-MW Sky Global Power One project, including a multi-year service agreement to increase asset availability. The plant will use no more water than a single residence. Sky Global will sell peaking power generation to the San Bernard Electric Cooperative, Inc. (SBEC) which supplies electricity to more than 17,000 members in a seven-county region of south Central Texas. This exceptional agreement between Sky Global and San Bernard allows San Bernard to participate in the value of the project through its investment in the purchased power over time.

Texas produces and consumes more electricity than any other state, accounting for more than one-tenth of total U.S. energy use. Contributing factors include its large and growing population, hot climate and extensive industrial/manufacturing sector. When compared to the rest of the country, Texas has a higher concentration of energy-intensive industries such as aluminum, chemicals, forest products, glass and petroleum refining.

“As the population of Texas and the San Bernard service area continues to grow, power supply for the region is becoming scarce at times of the year when it is needed most,” said Frank Rotondi, president and CEO of Sky Global. “Consequently, power prices for that period have been volatile, and at times, hundreds of times the normal segment price. The Sky Global Power One plant will allow that San Bernard’s members will have power at affordable costs as these peaking events become more frequent.

The San Bernard Electric Cooperative participation in the project includes not only purchasing power, but also active participation in the management of the power plant. The financial collaborators for the
plant are Sky Global, Prudential Capital Group and Lincoln National Life Insurance Company. Sky Global is the managing partner. Sky Global has contracted with The Haskell Company to design and construct the overall plant. “The best-in-class electrical efficiency of GE’s Jenbacher J920 FleXtra gas engine adds up to big savings in fuel over the life cycle of a plant. Over 15 years, a U.S. facility could realize fuel savings of as much as $15 million for a 100-MW J920 FleXtra power plant with very high simple-cycle efficiency and great flexibility1;” said Lorraine Bolsinger, president and CEO for GE’s Distributed Power business. “As our launch partners for the 60-hertz J920 gas engine, Sky Global and San Bernard will benefit from the unit’s ability to provide utilities and industrial customers with fast, reliable, on-site power during peak power-demand periods and as more renewable energy is added to the grid.”

This milestone with the Sky Global project comes on the heels of GE’s recent announcement that it will, along with general contractor Kraftanlagen München (KAM), support the municipal utility Stadtwerke Kiel in the construction of a modern gas-fired thermal power plant in Germany, representing a new, extremely flexible generation of energy production plants. The project is comprised of 20 units of GE’s most powerful gas engine and is to date the largest order globally for the GE gas engines product line in Jenbach. A multi-year services agreement was also signed for the 20 engines.

The new environmentally sound energy solution will replace the existing coal-fired community power plant and will supply the region with district heating. The 20 Jenbacher J920 FleXtra gas engines form the heart of the plant, supplying a total output of 190 MW of electrical and 192 MW of thermal energy, which will be fed into the electrical and district heating network, thus contributing to grid stability. The total efficiency of the equipment from GE is greater than 90 percent; electrical efficiency is 45 percent.

About Sky Global Partners, LLC

Sky Global Partners, LLC was founded in 2007 by a group of individuals with over 4,000 MW of completed independent power development, financing and operational experience. The members of the management team have built and operated power plants and other energy supply sources, managed all aspects of electric generation development and presided over multibillion-dollar energy commodities trading and marketing businesses.

About GE

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GE Power & Water provides customers with a broad array of power generation, energy delivery and water process technologies to solve their challenges locally. Power & Water works in all areas of the energy industry including renewable resources such as wind and solar, biogas and alternative fuels; and coal, oil, natural gas and nuclear energy. The business also develops advanced technologies to

1 Source: GE’s J920 FleXtra—Flexible and Efficient Distributed Power Whitepaper, 2014

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For more information, contact:

Susanne Reichelt
Communications Manager
GE Power & Water
+43 664 80833 2382
susanne.reichelt@ge.com