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FOR IMMEDIATE RELEASE

CLIFTY CREEK PLANT TO REDUCE EMISSIONS THROUGH NEW SCRUBBER SYSTEM

MADISON, Indiana, March 25, 2013 – The Indiana-Kentucky Electric Corp. (IKEC), a wholly owned subsidiary of Ohio Valley Electric Corp. (OVEC), is pleased to announce that the first unit of the six units at its Clifty Creek power plant in Madison, Indiana, began feeding exhaust gas to the first of two new flue gas desulfurization (FGD) scrubbers yesterday, March 24, 2013. These FGD scrubbers are state-of-the-art environmental control systems that will reduce sulfur dioxide (SO_2) emissions by up to 98 percent – providing cleaner air for all of us. This $670 million investment is in addition to other investments in environmental control technologies in recent years that significantly reduced IKEC's emissions of nitrogen oxides and particulate matter (fly ash) emissions.

"The completion of the FGD system at Clifty Creek has been highly anticipated after being postponed from 2009 to 2011. The employees of Clifty Creek are pleased that the system is in service and cleaning the air for ourselves, our families, and our neighbors," said Cliff Carnes, Clifty Creek plant manager. "This technology will allow us to continue producing safe and reliable power for a number of years while meeting all environmental regulations and providing critical employment for the community."

The Clifty Creek plant has six separate 217-MW generating units. The first scrubber will be connected to three of the units at the plant. A second scrubber, connected to the other three units, will begin operation in May of 2013.

A new stack – 982 feet high and 80 feet in diameter at the base – was built for the FGD system. Carnes noted that the scrubber technology decreases the vapor temperature leaving the stack while it increases the amount of water vapor emitted. This causes the plume to be more visible. "The new plume will have a white billowy appearance. Although it will look very different from the nearly clear plume from the older

stacks, it is mostly water vapor and is a sign that the scrubbers are working effectively, providing cleaner air for everyone," he said.

The scrubbers use both chemical and mechanical processes to capture and remove SO_2 from the combustion boiler's flue gas. The SO_2 in the flue gas interacts and is absorbed into a finely ground limestone slurry. Once dissolved, the SO_2 reacts with the calcium in the limestone to form a solid compound. A mechanical process removes the water from this slurry, and the resultant material, synthetic gypsum, is suitable for disposal in the appropriately prepared on site landfill. It can also be used in agriculture and as a raw material in building products.

Construction of the FGD system began in 2007 and employed over 900 local and regional workers at the peak of construction. The new system requires 30 additional full-time employees at the Clifty Creek plant.

Carnes noted, "Clifty Creek's first unit began generating electricity in 1955, nearly sixty years ago, and this latest environmental improvement ensures many more years of plant operation."

OVEC was organized in October 1952 by 15 sponsoring utilities. Parent companies of the current sponsoring utilities are American Electric Power (NYSE: AEP), Buckeye Power, Inc., The AES Corporation (NYSE: AES), Duke Energy Corp. (NYSE: DUK), FirstEnergy Corp. (NYSE: FE), PPL Corporation (NYSE: PPL), Vectren Corp. (NYSE:VVC) and Wolverine Power Supply Cooperative, Inc.