



Naval Support Activity South Potomac

# NEWS RELEASE

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Constellation Energy

## **Developer Announced for Power Plant and Light Industrial Complex at Naval Support Facility Indian Head**

INDIAN HEAD, Md. – Naval Support Activity South Potomac (NSASP) has competitively selected Constellation Energy (NYSE:CEG), Inc.'s retail business to participate in exclusive negotiations to form a business and leasing plan for development on two separate sites on board Naval Support Facility (NSF) Indian Head for commercial purposes. This effort is being developed under the Navy's Enhanced Use Lease, or EUL, program.

Members of Constellation Energy's development team include Cushman and Wakefield, Whiting-Turner, STV Group, Inc. and LNV, Inc. Constellation Energy was ranked among the top firms in the energy industry in 2010 on the Fortune 500. Cushman and Wakefield is the third largest global real estate services firm, and Whiting-Turner has extensive experience in designing and building both power generation facilities and data centers. STV Group and LNV provide architecture and engineering services.

Constellation Energy is proposing to build an estimated 30 megawatt natural gas fired cogeneration plant on a 35-acre site on the naval base to better respond to the electricity demands of NSF Indian Head, as well as other customers in southern Maryland and the metropolitan region between Washington, D.C. and Baltimore, Md.

Additionally, Constellation Energy is proposing to develop a light-industrial building or complex, such as a data center campus, on a second 15-acre site. The Constellation Energy team has estimated the site is suitable for a facility sized at 200,000 square feet or larger. The Navy will ensure the necessary National Environmental Policy Act (NEPA) documentation is completed prior to the execution of a lease allowing site development.

The development of the project will involve a long-term government lease of the land and improvements, and Constellation Energy will plan, design, finance, construct and operate the new facilities. In addition, this project will provide the Navy with fair market consideration for the leasehold for the benefit of NSF Indian Head. The EUL project is expected to create a significant number of construction jobs, as well as a number of information technology positions over the long term.

EUL is an opportunity created through the National Defense Act that allows Department of Defense installations to maximize their underutilized land through out-leasing and provide in-kind services or facilities for the military and public. This is the first EUL project of its kind undertaken by the Navy in Maryland.

Naval Support Facility Indian Head was founded in 1890 as the Naval Proving Ground and was the Navy's first established presence in southern Maryland. After 1921 Indian Head was no longer designated as the Naval Proving Ground but was referred to as the "Naval Powder Factory" as the base shifted from a naval gun proving ground to a chemical factory, research laboratory and Explosive D factory.

Today's military community on board NSF Indian Head includes six Navy, DoD and joint commands that represent a diverse and strategically important mix of research and development activities, alongside operational support programs that are protecting the U.S. homeland from terrorist threats, as well as serving U.S. Navy, Marine Corps, Air Force and Army forces deployed worldwide on a daily basis. In addition to its military value, NSF Indian Head makes a significant economic contribution to the local community by serving as one of Charles County, Maryland's largest employers.

Additional information about Naval Support Facility Indian Head is available at <http://www.cnmc.navy.mil/SPotomac>.

The materials provided and any offerings described herein are those of Constellation NewEnergy, Inc. a subsidiary of Constellation Energy Group, Inc.

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### **About Constellation Energy**

Constellation Energy ([www.constellation.com](http://www.constellation.com)) is a leading competitive supplier of power, natural gas and energy products and services for homes and businesses across the continental United States. It owns a diversified fleet of generating units, totaling approximately 12,000 megawatts of generating capacity, and is a leading advocate for clean, environmentally sustainable energy sources, such as solar power and nuclear energy. The company delivers electricity and natural gas through the Baltimore Gas and Electric Company (BGE), its regulated utility in Central Maryland. A FORTUNE 500 company headquartered in Baltimore, Constellation Energy had revenues of \$14.3 billion in 2010.