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NEWS RELEASE: For immediate release,

BPU GENERAL MANAGER ELECTED TO AMERICAN PUBLIC POWER ASSOCIATION EXECUTIVE COMMITTEE

Board of Public Utilities General Manager, Walter Haase, was elected to the Executive Committee of the Board of Directors of the American Public Power Association (APPA) at their annual meeting held recently in Chicago, Illinois. Haase is serving his second year of a three year term on the Board.

The APPA is the service organization for the nation's more than 2,000 community-owned electric utilities that serve more than 43 million Americans.

The Jamestown Board of Public Utilities was one of the 40 founding members in 1940, who established the APPA as a non-profit, non-partisan organization whose purpose is to advance the public policy interests of its members and their consumers, and provide member services to ensure adequate, reliable electricity at a reasonable price with the proper protection of the environment. Haase is the first Jamestown BPU General Manager to serve on this Board as well as its Executive Committee.

John Twitty, general manager and CEO of City Utilities of Springfield, Missouri will chair the APPA board of directors for 2006-07. Haase was chosen by Twitty as one of five members of the board to serve with the officers on the Executive Committee.

With more than eighteen years of experience in all areas of public power management, Haase joined the BPU in 2000, and works closely with the BPU Board, the Mayor, City Council and BPU staff to continue providing low-cost, reliable utility services for the area while regionalizing and expanding services, with a special focus on economic development for the region.

An essential element of the regional economic development plan is the BPU's proposed 40 MW Clean Coal CFB project which is currently undergoing regulatory review in New York State and at the US EPA. In addition to the CFB, the BPU is exploring options to provide the community with alternative, innovative generation options, including landfill gas, windpower and methane gas. The BPU is also exploring the development of an ethanol/biofuel plant in partnership with an ethanol project developer. Another element of the effort to support economic development in the region is the innovative arrangements under which the BPU provided low cost power from its own generation facilities to Cummins Engine; Cliffstar; Lexington; and Fieldbrook Farms. The BPU power was essential to keep these industries viable while supporting growth that added jobs to the Chautauqua County region.

Under Haase' direction the BPU successfully completed the installation of a gas turbine with a heat recovery steam generator, the upgrade of an existing 13.8 kV substation to 34.5 kV substation, and the construction of two new 34.5 kV subtransmission lines on time and \$1.5 million under budget. Prior to his arrival, the project was running significantly over budget and behind schedule.

Haase has instituted several measures to improve, expand, and regionalize the services the BPU provides. Under his direction, the BPU has created a District Cooling system; leased "dark Fiber" to the School system, a private telecommunications provider, the County, and several private businesses; expanded its water and expanded wastewater services to three neighboring Towns; agreed to provide wastewater treatment services to Chautauqua County, a neighboring Public Utilities District (PUD), and a County in Pennsylvania.

As part of the effort to strengthen the BPU's ability to retain economic electric rates, Haase settled a lawsuit with NYPA which resulted in a \$7.5 million refund for the Jamestown BPU. He also negotiated a refund of \$660,000 resulting from incorrect billing demand used by (National Grid) Niagara Mohawk Power Corp. (NMPC). Haase renegotiated an agreement with NMPC and NYPA regarding transmission service, switching the BPU to the NYISO Open Access Transmission tariff, which will result in a net savings of \$3,687,497 over the remaining six years of the

agreement. In May of 2003, Haase signed a new global settlement agreement with the NYPA which resulted in a 12-year extension of the BPU hydropower contract estimated to provide a \$168 million economic benefit to the BPU customer base. In addition, the NYPA agreed to pay for some of the ancillary services of the NYISO resulting in a \$300,000 annual savings for the BPU customers.

A licensed professional engineer in both Illinois and North Carolina, Haase previously served as Assistant Public Utilities Director for the Rocky Mount, North Carolina Public Utilities, responsible for the electric and natural gas divisions. Rocky Mount, 50 miles east of Raleigh/Durham, in one of the fastest growing areas of the country.

Prior to Rocky Mount, Haase served as Electric Superintendent for the St. Charles, Illinois Municipal Electric Utility. Haase has a Master's Degree in Business Administration from the Keller Graduate School of Business Management and a Bachelor's Degree in Electrical Engineering from the University of Illinois.

Haase also serves on the Executive Board of the New York Public Power Association (NYAPP), an association of municipal utilities in New York that represents all of the municipal generators in the State. NYAPP members provide power to the more than 46% of the customers served by municipal public power in New York State.

Haase and his wife Joanne have three children. He serves on the Board of Directors of the Boys and Girls Club and of the Father's Club of Holy Family School.