

# American Municipal Power Progress Report for Prairie State Energy Campus Through April 30, 2011



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## **Power Plant**

Bechtel reports that through the month of April 2011, the project is 76.8% complete compared to the plan of 79.1%. Engineering is 97.1% complete compared to a plan of 97.1%. Construction is 76.9% complete compared to a plan of 79.2%. Startup is 27.3% complete compared to a plan of 32.6%.

Major accomplishments during the current period include:

- First coal from the mine to the power plant was delivered on March 30
- Unit 1 boiler chemical cleaning has been completed.
- Completed Unit 1 STG installation and placed on Turning Gear
- Energization of Unit 2 Station Service Transformer
- Rail loop completed to receive train traffic
- Completed Unit 1 Wet Electro-Static Precipitator erection

The Unit 1 Preliminary Completion date is forecast to occur on November 29, 2011, one week ahead of the Guaranteed Substantial Completion date. The Unit 2 Preliminary Completion date is forecast to occur on June 8, 2012, eight weeks ahead of the Guaranteed Substantial Completion date.

Unit 1 Boiler first-fire on gas is scheduled to occur May 23, 2011 and first-fire on coal on July 23. Initial Synchronization of Unit 1 generator to the regional transmission system is August 2, 2011.

## **Schedule Critical Path**

The critical path for Unit 1 is the completion of the Gas Path commissioning to support fan runs prior to First Fire on Gas. There are four main startup paths which are driving gas path completion. The first three paths incorporate commissioning of the DESP, WESP and burners prior to fan runs. Re-sequencing of DESP dynamic testing to occur in parallel with fan runs has mitigated some of the impacts as a result of delays in system turnovers. Commissioning of these systems is progressing according to plan.

There are three equally important Unit 2 critical paths: boiler gas path complete, system completion and turnover of the WESP and system completion and turnover of the DESP.

## **Lively Grove Mine**

The Mine is essentially on schedule as of April 30, 2010 at approximately 79.9% complete versus a plan of 76.9% complete based on expenditures to date. The mine is on plan with the initial 2007 proforma mine plan approved by MSHA.

All above-ground construction (conveyors, stack-out facilities, ventilation fans, buildings and related equipment) has been completed. Current work is focused on construction of underground conveyor systems and overcasts for controlling air flow ventilation to meet regulatory and safety requirements. The Lively Grove Mine has begun producing coal to meet quality specifications of the power plant and began supplying coal to the power plant on March 30, 2010 for building inventory prior to first fire on coal.

### **Coal Combustion Waste (CCW) Disposal Facility**

Construction of the CCW facilities at the Jordan Grove facility is on schedule to accept waste from the power plant when needed. Cell work is complete, to provide approximately 24 unit-months of space for CCW disposal.

Work on the rail car unloader by Tarlton is complete and ready for testing

### **Transmission System Improvements**

All transmission upgrades are complete and the system is now capable of delivering the total electrical output of PSEC through the grid.

### **Human Resources**

Current Staffing (PSGC Direct Hire and Contracted) is 319 personnel. Hiring of power plant and mine staff is on schedule to meet the needs of startup and operation of the PSEC.

### **Project Cost**

Total Project capital expenditures are forecast to be \$4,933.5 million. Through April 30, 2011 actual Project capital expenditures total \$4,230.7 million, 85.7% of the forecast.

Total AMP construction expenditures are forecast to be \$1,342.8 million. Through March 31, 2011, actual AMP expenditures total \$1,136.6 million.

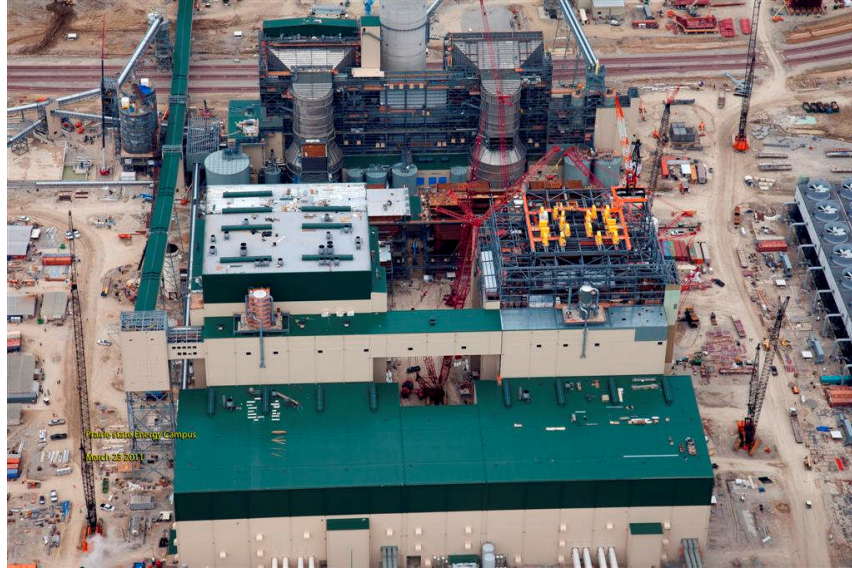
Approved Change Orders through April 30, 2011 under the Revised and Restated EPC Agreement total \$12,924.1. This amount is within the contingency allowance AMP has built into the forecast total AMP construction expenditures.



Lively Grove Mine



First Coal being delivered from the mine to the Power Plant



Power Block Construction



Air Quality Control System Construction



Power Plant West View