

FOR RELEASE
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EIG Global Energy Partners - Greenfield South Press Statement

On or about March 27, 2012, EIG Management Company, LLC, acting on behalf of itself and certain investment funds it manages (collectively "EIG"), filed lawsuits in the Supreme Court of the State of New York and in the Ontario Superior Court of Justice naming as defendants, respectively, i) Greenfield South Holdco, Corp. and Greenfield South Power Corporation (collectively, "Greenfield South") and ii) the Ontario Power Authority (the "OPA") and Ontario Province ("Ontario"). These suits, which seek between them US\$300 million in compensatory damages and US\$10 million in punitive damages, were filed in response to the unprovoked cancellation of a 283 MW natural gas fired power plant being built in Mississauga, Ontario for the OPA by Greenfield South. The OPA has indicated it was acting at the instruction of Ontario government officials in cancelling the plant, allegedly due to community objections given voice during a recent election cycle in the riding in which the plant was to be located.

The power plant was to be constructed using up to \$260 million in committed financing supplied by energy-oriented investment funds managed by EIG. At the time financing by these investment funds was originally extended to Greenfield South, the OPA was not only aware of the financing, but actively cooperated with its incurrence and consented to it in writing, because a source of funds to repay this financing was to come from power-purchase payments by the OPA associated with the plant, once constructed. Cancellation of the plant has deprived EIG and its investors of their contractually agreed upon repayment rights. The required repayment has not occurred, despite repeated requests by EIG over several months, addressed to both Greenfield South and the OPA.

Although EIG has repeatedly attempted to reach a negotiated settlement with Greenfield South and the OPA regarding the amounts owed to EIG's investors, such discussions have not resulted in a resolution of the claims of EIG and its investors. And although the actions of Greenfield South and the OPA were clearly in contravention of the terms of EIG's financing, Greenfield South and the OPA are effectively asking EIG's investors (which include pension plans, insurance companies and sovereign wealth funds located worldwide, including in Canada) to simply write-off substantial obligations. Not surprisingly, EIG and its investors are unwilling to do so, especially in light of the circumstances under which the plant was cancelled.

The continued refusal by Greenfield South to honor its obligations under EIG's financing documents, and the unilateral actions of the OPA and Ontario in setting in motion Greenfield South's default to its financiers, have left EIG with no viable option but to file lawsuits to recoup lawful debts owed to its investors. Moreover, based on reports in the Canadian press, it appears this is the second time in but a few years in which Ontario and/or the OPA have resorted to cancelling a power plant during development, in alleged violation of contractual agreements, during election cycles. Such actions likely jeopardize the willingness of private financiers to risk the continued funding of Ontario-based power projects.

EIG remains open to constructive suggestions from the defendants that do not require EIG or its investors, who come to the table with nothing but clean hands, to forfeit payments owed them as the price for unilateral decisions over which they have no control or responsibility. If an amicable settlement cannot be reached, EIG looks forward to the vindication of its claims, and a fuller understanding of the activities and motivations of the OPA, Ontario and Greenfield South in cancelling the plant, in the courts of Ontario and New York.

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