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Maryland Clean Energy Center Launches Maryland Clean Energy Capital Financing Program; First Deal Provides \$6M for Energy Efficiency Upgrades at Coppin State University

First of its Kind Financing to Provide Funding to Secure Energy Savings at a University System of Maryland Campus

Rockville, MD (December 19, 2012) -- The Maryland Clean Energy Center (MCEC) today announced it has closed on the first of its Maryland Clean Energy Capital (MCAP) transactions benefitting the University System of Maryland, Coppin State University to finance six (6) energy efficiency upgrades on campus. This first-ever use of the MCEC bond authority will provide largely tax-exempt debt financing to underwrite six energy conservation measures on campus.

“The MCAP program is a potent and compelling tool for all institutional energy users in Maryland to reduce their energy and water costs, without reducing their debt capacity,” said Kathy Magruder, Executive Director of the Maryland Clean Energy Center. The centerpiece of the transaction is the Shared Energy Savings Agreement between MCEC and Coppin that makes Coppin’s payments contingent on realized savings, ensuring a positive cash flow for Coppin every year.

Through this new and unique MCEC financing vehicle, Energy Systems Group (ESG) will install, operate and maintain lighting, electrical, mechanical, and water system upgrades, as well as HVAC control and building envelope improvements to reduce energy consumption within the Coppin State University campus.

“We are pleased to be the first University System of Maryland campus to participate in this unique financing program,” said Richard Siemer, Vice President for Administration and Finance at Coppin State University. “This effort will not only allow us to reduce energy consumption but also create real energy savings. We look forward to beginning this process and providing an example for others to follow.”

Jeffrey Eckel, CEO of Hannon Armstrong and Chairman of the MCEC Board said, “This structure has real potential to accelerate stalled capital projects, save Maryland institutions money, create jobs and reduce greenhouse gas emissions, all goals for which MCEC was created.” Hannon Armstrong, an Annapolis-based investment bank developed the structure and arranged the financing for MCEC on a *pro bono* basis.



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Created by the Maryland General Assembly as an instrumentality of the State in 2008, the MCEC is a not-for-profit entity designed to promote clean energy, economic development, energy innovation and clean tech jobs in the State of Maryland. To learn more about MCEC's MCAP program and other initiatives of the MCEC visit www.mdcleanenergy.org.

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About Coppin State University

Coppin State University is a model urban, residential liberal arts university located in the northwest section of the City of Baltimore that provides academic programs in the arts and sciences, teacher education, nursing, graduate studies, and continuing education. An HBCU (Historically Black Colleges and Universities), Coppin has a culturally rich history as an institution providing quality educational programs and community outreach services. Coppin offers 53 majors and nine graduate-degree programs. A fully accredited institution, Coppin serves Baltimore residents as well as students from around the world, with flexible course schedules that include convenient day, evening, and weekend classes and distance learning courses. To learn more, visit www.coppin.edu.

About Energy Systems Group (ESG)

Energy Systems Group (ESG), a wholly-owned subsidiary of Vectren Corporation (NYSE:VVC), is a leading energy services provider that specializes in providing energy efficiency, sustainability, and infrastructure improvement solutions in the government, education, healthcare and commercial sectors. ESG also designs, builds and operates landfill gas processing facilities and cogeneration plants and offers a full range of waste-to-energy and renewable energy solutions. To learn more about ESG, visit www.energysystemsgroup.com.

About Hannon Armstrong

Hannon Armstrong is an Annapolis, Maryland based investment and merchant bank focused on providing innovative financing solutions for energy and infrastructure investments in the United States. For more than thirty years, Hannon Armstrong has served a national client base of primarily Fortune 100 companies. With a seasoned, experienced team of finance professionals, Hannon Armstrong is committed to creating, funding and managing sound transactions that



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make a positive contribution to the nation's economic and environmental health. To learn more, visit www.hannonarmstrong.com.

About Maryland Clean Energy Center

The Maryland Clean Energy Center was created in 2008 to encourage the transformation of the energy economy with programs that catalyze the growth of business, increase related "green collar" jobs, and make clean energy technologies, products and services affordable, accessible, and easy to implement for Maryland residents. To learn more, visit www.mdcleanenergy.org.