



News Release

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Colorado Springs Utilities executes agreement with local company to control emissions

Oct. 4, 2011 – Colorado Springs Utilities and Neumann Systems Group (NSG) have executed an agreement for the design and installation of new emissions control technology for Colorado Springs Utilities' Martin Drake Power Plant. The contract value is \$73.5 million with the potential to earn an incentive based on meeting cost and performance goals.

The technology, NeuStream™, will remove sulfur dioxide (SO₂) from the emissions of the coal-fired plant complying with new regional haze air pollution requirements in Colorado and supporting the concept of clean coal for power generation.

"This is great news for our community. NeuStream™ will save money for Colorado Springs Utilities' ratepayers because it will be installed at lower cost than traditional scrubbing technology and will require less operating and maintenance expenditures," Scott Hente, chairman of Colorado Springs Utilities' board, said.

Neustream™ is compact – requiring a smaller footprint than traditional technology, which makes installation of emission control technology at the small downtown power plant campus feasible.

NSG projects local job creation resulting from this agreement and numerous local firms are expected to participate in the design, manufacturing and construction associated with the project. Work is slated to begin this fall and the project is schedule to be completed in 2014.

"I would like to recognize NSG for their innovation in developing this new, low cost environmental technology, and Colorado Springs Utilities for their leadership in supporting this local company and the associated jobs," said TJ Deora, director of the Governor's Energy Office. "This is a fantastic example of a collaborative effort that will result in a cleaner energy product."

About Neumann Systems Group: NSG is a Colorado Springs based advanced technology company focused on commercializing gas-liquid contractor systems for emissions control and other applications. NSG was recently awarded a \$7.2M grant from DOE for research for carbon dioxide emissions control, which will also take place at Drake Power Plant. Other potential market areas for NSG products include chemical production, pharmaceuticals, energy production, water purification and oil refining.

About Springs Utilities: Colorado Springs Utilities is a community-owned utility that provides reliable electricity, natural gas, water and wastewater services to customers in the Pikes Peak region. The utility shows concern for the environment by responsibly managing operations to protect and preserve natural resources and promote the wise use of electricity, water and natural gas. Springs Utilities has collaborated with NSG since 2008 for the development and testing of the SO₂ scrubbing technology.