



FOR IMMEDIATE RELEASE

Contact: Katie Dorn, Nantucket Marketing
612 964 4168
katiedorn@nantucketmarketing.com

**Hudson Ranch Power Commences Construction
of 49 MW Imperial Valley, CA Geothermal Project**
Construction of project will create over 200 jobs in Imperial County

EI CENTRO, CALIFORNIA - (May 17, 2010) **EnergySource** LLC, an independent power producer that develops renewable energy resources, today announced the commencement of construction of its Hudson Ranch I project, a 49 MW high temperature geothermal power generation project in Imperial County, California. The project has been under development since 2006 by Catalyst Renewables and Hannon Armstrong, the majority owners of EnergySource (formerly CHAR).

“We are very encouraged by the response of the project finance market to a new generation of high temperature flash-technology geothermal power projects that will serve utility customers with base load renewable energy,” remarked Dave Watson, President of EnergySource. “The Hudson Ranch Power I project will commence construction in one of the best geothermal resources in North America, as well as create much-needed employment opportunities in Imperial County.”

Debt financing for the nearly \$400 million project was raised by an eight member bank syndicate led by ING Capital, Societe Generale and West LB, and included Union Bank, MetLife, CIBC, Siemens Financial and Investec. Additional equity was raised from GeoGlobal Energy LLC (GGE), a privately held geothermal energy-focused investment firm backed by Mighty River Power, a state-owned New Zealand utility. Hannon Armstrong represented EnergySource in raising both the debt and equity.

Eric Spomer, President of Catalyst Renewables and an EnergySource director said, “We have enjoyed tremendous local support in the Imperial Valley for this project from the Imperial Irrigation District, the Imperial County government and from the quality local contractors who will make this

project a success". Spomer also cited Salt River Project, the purchaser of the plant's power for "extraordinary cooperation and faith in the project's ultimate success."

Sarah Slusser, a GGE partner, which invested \$90 million in the project, expressed confidence in the investment by saying "Hudson Ranch is exactly the kind of geothermal opportunity GGE is looking for and we are delighted to have the opportunity to bring our financial and technical resources to help make the project a success."

The project will take 21 months to build and will create 200 full-time equivalent construction jobs. Once completed, it will employ 35 full-time plant operations employees. John Featherstone, Senior Vice President of Engineering and Operations at EnergySource remarked, "It has been 20 years since the last stand-alone flash geothermal plant was built in this excellent resource and we are excited to use all the lessons learned from the existing plants to make this a best-available-technology geothermal power plant. This plant design ensures very efficient water use, which is a critical attribute in the southwestern U.S."

The project will benefit from Federal tax incentives contained in the American Recovery and Reinvestment Act ("ARRA"). EnergySource acknowledged the support of numerous local politicians and business leaders, joined by Congressman Filner and Governor Schwarzenegger, in supporting the Hudson Ranch project throughout the development process.

####

About EnergySource: EnergySource is an independent developer, constructor, operator and owner of utility scale geothermal and solar power generation projects in the Southwestern U.S., selling wholesale power and environmental attributes to utilities subject to state requirements to purchase energy from renewable resources. EnergySource employs a strong team of professionals with long experience in energy development and in particular, the unique field of geothermal power. The company is has an advanced pipeline of geothermal and solar projects it is currently developing. EnergySource is headquartered in San Diego, with a full office in El Centro. www.energysource.us.com

About Catalyst Renewables: Catalyst is a Dallas, TX based independent developer of biomass and geothermal projects throughout the U.S. www.catalystrenewables.com

About Hannon Armstrong: Hannon Armstrong is a 30 year old, Annapolis, MD financial services firm, financing infrastructure assets by providing capital to companies and governments that are solving the critical issues of today. www.hannonarmstrong.com

GeoGlobal Energy LLC: GGE, based in the Washington, DC area, is a privately held, geothermal investment and development company focused on the worldwide development of geothermal resources, covering all aspects of geothermal exploration, development and operations. www.geoglobal-energy.com

Mighty River Power: Mighty River Power is an integrated energy generation, trading, retailing and metering business located in New Zealand. www.mightyriverpower.co.nz