

Mid-Atlantic Express

4300 Wilson Boulevard
Arlington, Virginia 22203

More Facts on a Natural Gas Pipeline Proposed for Your Community

The AES Corporation, through its regulated subsidiary Mid-Atlantic Express, LLC is proposing to construct a natural gas pipeline through your community. As the environmental review process moves forward to a point where our studies of potential impacts will be complete sometime later this year, we would like to better familiarize you with our company and facts about our proposed pipeline.

AES is a worldwide supplier of wind, solar, clean-burning-coal, natural gas and other forms of energy designed to meet today's demanding energy needs. AES is headquartered in Arlington Virginia, and is committed to providing clean, innovative and affordable energy to individuals, businesses, and utilities. As example, we've served Western Maryland residents for the past 5 years through our industry-best, clean-coal-fired plant in Cumberland. And, we take pride in our ongoing community relations programs there for schools, a food bank, the YMCA, and other community concerns. We hope to continue these types of programs should our proposal move forward.

The natural gas we intend to bring to Harford County will be imported on ships arriving in Baltimore. The natural gas will be imported in liquid form because it is more economical to transport in that way. Before entering the pipeline, the liquid will be converted back to its gaseous form and be delivered first into the BG&E system then into the interstate pipeline system at a point in Eagle, Pennsylvania. In this way, you may be among the many Harford County residents who power your homes for heating, cooling, and cooking with natural gas supplied by AES. Even if you don't get your natural gas from AES via BG&E, you will likely benefit because the new source of natural gas will have a dampening effect on natural gas prices throughout the region. This is especially important in Maryland where the price of natural gas sets the price for electric power almost one-half of all the hours each year.

OTHER NATURAL GAS FACTS:

Energy News: Natural gas continues to play an important role in meeting our nation's growing energy needs. In 2005, natural gas accounted for 23% of our nation's total energy consumption. The Department of Energy's Energy Information Administration projects that domestic consumption of natural gas will continue to increase and that imports of liquefied natural gas (LNG) will meet much of the increased demand. Document by EPA, "LNG Roadmap" released 7-13-06.

Energy Fact: Natural gas is the cleanest burning of all fossil fuels, and contributes the least to global warming.

Energy Fact: Currently, one-third of all homes in the Mid-Atlantic region are heated by natural gas.

Energy Fact: Existing transcontinental pipelines are operating at or near capacity.

Easily available North American sources of natural gas are becoming seriously depleted, and prices in the Mid-Atlantic have risen nearly 4-fold since 1999.

Pipeline Fact: Studies indicate that property values are unaffected by the construction and operation of natural gas pipelines. Similar projects have been successfully built and are currently being operated at many other locations throughout the United States, including within the State of Maryland. Real estate experts and professors of finance and economics have addressed this issue and, from the literature, concur that projects of these types do not adversely impact the property values of local landowners.

We continue to look for modifications to our proposed pipeline route for an especially important reason. Businesses, home owners, and even entire communities have moved closer to the existing utility Rights-of-Way (ROWs) we are trying to follow. We had originally identified a route that made use of existing ROWs for the entire pipeline route. We are now down to about 90% of the route along existing ROWs as we have moved around areas that have become much more developed.

I hope that you find the information helpful in better understanding the energy pipeline development process, our company, and meeting Harford County's and the region's current and future energy needs.

Sincerely,



Kent Morton, Project Director

INFORMATION LINKS:

- Website for Mid-Atlantic Express pipeline: www.mid-atlanticexpress.com
- Website for Sparrows Point LNG facility: www.AESsparrowspointLNG.com
- Website for AES the parent company: www.aes.com

EDITORIAL: Yes To Liquefied Natural Gas "According to the latest statistics from the U.S. Department of Energy, more than 1 million Maryland homes use natural gas, and about 70 percent of new homes use it. That translates to about 20,000 new homes using natural gas per year over the past few years in the state. Rising demand without access to increased supplies means higher prices. Helping the state secure access to a reliable and safe energy source could help Maryland consumers lower their bills for years to come." (Above are excerpts only) The Examiner, Editorial April 7, 2006.

TESTIMONIAL: "I believe in the long-term totality of the economic benefits at stake. It will require about 4 million man-hours of union construction labor (pipeline and facility). I notice that the project will bring a local reliable source of inexpensive environmentally-friendly energy that will be tied to the BGE natural gas system, likely resulting in lower energy prices for the people of central Maryland for decades to come..." (Former Congresswoman) Helen D. Bentley, in letter to AES, May 30, 2006).