

## **MONTGOMERY GREAT FALLS ENERGY PARTNERS LP ANNOUNCES PURCHASE OF MONTANA FIRST MEGAWATTS**

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Christi Callicoatte  
432-368-5483

(GREAT FALLS, MONTANA – March 2, 2007) --- At the end of February, 2007, Montgomery Great Falls Energy Partners LP, an affiliate of Montgomery Energy Partners LP of Magnolia, Texas, formally announced the purchase of assets and permits for Montana First Megawatts from Northwestern Energy. The project, now called the Great Falls Energy Center, is located in Great Falls, Montana.

The gas-fired, combined cycle power plant project has been permitted to produce 275 megawatts and could easily be expanded for an additional 275 megawatts. It is anticipated to be completed as early as November, 2008 in order to support winter electric demand in the region.

While portions of the foundations and site civil work were completed by Northwestern Energy, Montgomery Great Falls Energy Partners has started the engineering work to build the power plant itself. All of the landowner easements necessary for construction of interconnecting pipelines and transmission lines have also been obtained. The new facility will be designed using state-of-the-art emissions control technology that meets all California air emission standards for natural gas-fired electrical power generation.

“Montgomery Energy is committed to re-permitting and converting the Great Falls Energy Center from the current natural gas only air permit to a combination of natural gas/IGCC or coal-based synfuel power production in response to market demands and conditions,” said Montgomery Managing Director of Business Development Taylor Cheek. “When converted to IGCC, the Great Falls Energy Center will be carbon capture ready. Once carbon capture technology is developed and installed, the Great Falls Energy Center will meet or may exceed emission standards from natural gas and will seek to sequester the carbon dioxide by marketing it for use in enhanced oil recovery in nearby oil fields.”

Montgomery Energy Partners has commenced discussions with several parties with regard to long-term power purchase commitments from the power plant, and while only in the planning stages at this time, the Great Falls Energy Center is also designed to support more than 2,000 megawatts of wind power generation in the region.

Governor Brian Schweitzer applauded the efforts of Montgomery Energy Partners LP as “another step in developing ‘clean and green’ power from Montana energy resources. I am especially pleased that Montgomery Energy Partners LP is responding to our preferences and to market demand for cleaner power production. We have made it clear that Montana can develop its energy resources and ‘do it right’, and the Great Falls

Energy Center project is further evidence that our approach will work for Montana and the nation,” Schweitzer said.

According to Peggy Beltrone, Cascade County Commissioner, “This announcement is a huge shot in the arm for Cascade County’s energy driven economic future. It will help us turn more of our incredible wind resource into clean renewable energy and allows us to reap the benefits of income for ranchers, tax revenues for schools and services for rural residents. The Great Falls Energy Center will provide jobs and attract new industries.”

Beltrone went on to say, “This is welcome news to anyone who pays a Northwestern Energy power bill. The reasons are complicated, but dark clouds have been lining up on the horizon for customers, as a tightening energy market in the Pacific Northwest makes it likely that Northwestern will lose its peak power from Idaho, leaving us vulnerable to extremely high cost peaking energy. Having this flexible generation resident within Montana helps stabilize prices.”

Montgomery Energy Partners LP is a Magnolia, Texas based energy development and asset management company with 2,000 megawatts currently under development throughout the United States and 1,100 megawatts of power plants under construction in Texas via their affiliate, Navasota Energy Partners LP.