



PRESS RELEASE

For Immediate Release

ADVANCED CLEAN ENERGY STORAGE PROJECT RECEIVES \$500 MILLION CONDITIONAL COMMITMENT FROM U.S. DEPARTMENT OF ENERGY

Conditional commitment from the DOE's Loan Programs Office is the latest milestone in the development of the world's largest green hydrogen hub, which has also secured all other major contracts.

SALT LAKE CITY, UTAH (April 26, 2022) – The U.S. Department of Energy's (DOE) Loan Programs Office announced today that it has issued a conditional commitment to Advanced Clean Energy Storage I, LLC, and Mitsubishi Power Americas, Inc. and Magnum Development, LLC, and Haddington Ventures, LLC, for up to \$504.4MM in debt financing for the Advanced Clean Energy Storage Project, expected to be the world's largest industrial green hydrogen production and storage facility (the "Project"). This conditional funding commitment signifies the latest development milestone for the Project.

The industry-leading Advanced Clean Energy Storage hydrogen hub, located in Delta, Utah, was announced in [May 2019](#), and within three years is in the final stages of debt and equity closing. Currently, the hub has secured all major contracts including offtake; engineer, procure and construct (EPC) contractors; major equipment suppliers, and Operations and Maintenance (O&M) providers. Haddington Ventures, the financial advisor for the hub and equity sponsor of Magnum Development, is securing \$650MM through its Equity Syndication Program. These critical financial investments will ensure the future growth and scalability of the hub.

"We are unbelievably excited to reach this important milestone, not just for our hub, but for the hydrogen industry as a whole," said Michael Ducker, Senior Vice President of Hydrogen Infrastructure for Mitsubishi Power Americas and President of Advanced Clean Energy Storage I. "Equally rewarding is having spent the past year partnering and working with such a forward-thinking and incredibly talented team from the Intermountain Power Agency to trail blaze this market leading facility. We are honored to be sharing this industry moment with them along with all of our world-class partners joining this effort."

The hub will initially be designed to convert renewable energy through 220 MW of electrolyzers to produce up to 100 metric tonnes per day of green hydrogen, which will then be stored in two massive salt caverns each capable of storing 150 GWh of energy. Financed with support from the DOE loan guarantee, this facility will supply hydrogen feedstock to the Intermountain Power Agency's (IPA) [IPP Renewed Project](#) — an 840 MW hydrogen capable gas turbine combined cycle power plant — that will initially run on a blend of

30 percent green hydrogen and 70 percent natural gas by volume starting in 2025 and will increase to 100 percent by 2045.

“The IPP Renewed Project is committed to helping the region meet its carbon targets by utilizing green hydrogen as a tool to integrate affordably and reliably the significant build-out of renewables. The scale, experience, and collaboration offered by the Advanced Clean Energy Storage hydrogen hub made their team the ideal partner for us to work with as we realize our vision towards 100% green hydrogen at the site,” said Greg Huynh, Operating Agent, IPA.

Multiple industry-leading entities are also involved in the hub, which broke ground this Spring, including:

- **Black & Veatch**, an industry leader in engineering, procurement, and construction which will provide EPC services for the energy conversion facility and will draw on its extensive experience building complex energy infrastructure projects to construct the hydrogen production facilities.
- **Mitsubishi Power**, an industry leader in technology offerings, will provide the hydrogen equipment integration including the 220 MW of electrolyzers, gas separators, rectifiers, medium voltage transformers, and distributed control system.
- **NAES Corporation**, one of the energy industry’s largest independent providers of operations, maintenance, and repair services, will initially provide the O&M services for the plant and will oversee the current projected team of 20 plant-related personnel.
- **Utah School and Institutional Trust Lands Administration**, a subdivision of the State of Utah, leases the site and utilizes revenue generated from the hydrogen hub to benefit Utah schools.
- **WSP**, a global leader in engineering that develops creative, comprehensive and sustainable solutions to help communities thrive, will provide EPC Management services for the development of two large salt cavern storage facilities. WSP has been developing underground storage facilities since the 80s and has developed over 200 salt caverns for top tier midstream companies.

“The Advanced Clean Energy Storage Project is well on its way to achieving its goal in the creation of a world-class green hydrogen hub,” said Craig Broussard, CEO of the joint venture. “Through our network of partners, we have the potential to provide low-cost green hydrogen to verticals in addition to power, including refineries, heavy industrials, and the transportation sector.”

While this conditional commitment demonstrates the Department’s intent to finance the project, several steps remain, and certain conditions must be satisfied before DOE issues a loan guarantee.

The hub is actively seeking partners to bring green jobs and green hydrogen to support rural Utah and greater decarbonization across industries. For more information, visit www.aces-delta.com.

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About Mitsubishi Power Americas, Inc.

Mitsubishi Power Americas, Inc. (Mitsubishi Power) headquartered in Lake Mary, Florida, employs more than 2,300 power generation, energy storage, and digital solutions experts and professionals. Our employees are focused on empowering customers to affordably and reliably combat climate change while also advancing human prosperity throughout North, Central, and South America. Mitsubishi Power's power generation solutions include gas, steam, and aero-derivative turbines; power trains and power islands; geothermal systems; PV solar project development; environmental controls; and services. Energy storage solutions include green hydrogen, battery energy storage systems, and services. Mitsubishi Power also offers intelligent solutions that use artificial intelligence to enable autonomous operation of power plants. Mitsubishi Power is a power solutions brand of Mitsubishi Heavy Industries, Ltd. (MHI). Headquartered in Tokyo, Japan, MHI is one of the world's leading heavy machinery manufacturers with engineering and manufacturing businesses spanning energy, infrastructure, transport, aerospace, and defense. For more information, visit the [Mitsubishi Power Americas website](#) and follow us on [LinkedIn](#).

About Magnum Development

Magnum Development, LLC is developing the only known "Gulf Coast" style domal-quality salt formation in the western United States. Magnum was founded in 2008 to create an energy hub centered around a large, little known salt body near Delta, Utah. Site viability and profitability has been proven with one business, Magnum NGLs, LLC, which was successfully developed, brought to commercialization, and sold in 2015. In March 2018, Magnum Development entered into a joint venture with Sawtooth by contributing its refined products business for an 8% ownership interest in the Sawtooth JV. A second JV was formed with Mitsubishi Power Systems in 2019 to add the storage and conversion of fossil free energy to the energy hub's portfolio of products. As the Delta, Utah energy hub grows, Magnum will pursue additional strategic partners to broaden the strengths and products of the enterprise.

About Haddington Ventures

Founded in 1998, Haddington Ventures, LLC oversees a growing portfolio of successful conventional and renewable energy businesses that are bringing innovative new infrastructure to the U.S. energy sector. Haddington Ventures, through its private equity funds, generally makes control-oriented investments in portfolio companies acquiring or developing energy infrastructure underwritten by long term contracts. Haddington Ventures is led by a team of senior energy professionals who have invested more than \$1.5 billion in companies focused on energy infrastructure across multiple private equity funds and co-investment partnerships.

About ACES Delta

ACES Delta is a joint venture between Mitsubishi Power Americas and Magnum Development. ACES Delta is developing the world's largest renewable energy hub to produce, store, and deliver green hydrogen to the

Western United States. Located in Delta, Utah, the Advanced Clean Energy Storage hub will serve as the country's largest hydrogen gas and storage hub, initially providing over 300GWh of clean energy annually to the region. For more information, visit www.aces-delta.com.

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