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Energy Answers Resource Recovery Project in Arecibo Puerto Rico receives EPA Air Permit

(Albany, NY– June 11, 2013) Today, the U.S. Environmental Protection Agency (EPA) Region 2 issued the first Prevention of Significant Deterioration (PSD) Permit for a Resource Recovery / Waste-to-Energy Project in the U.S. Island territory of Puerto Rico. Energy Answers International, based in Albany, New York, with Project offices in Puerto Rico, is developing the Project which will accept 2,100 tons per day of municipal solid waste and produce 77MW of renewable energy and recover hundreds of tons per day of recyclable and reusable materials. The Project will provide communities with environmentally sound waste management services at a significantly lower cost than at other compliant facilities now available and will generate renewable energy at a lower cost than other power plants in Puerto Rico.

Mark Green, Energy Answers Project Director in Puerto Rico and manager of the permitting process, said that the company is pleased that EPA completed their review of this final federal air permit and described the determination of the EPA as a confirmation of the high environmental standards set by the company. The permit, which comes after a long and rigorous review process by the nation's highest technical and regulatory authority, ensures that the proposed facility will comply with the all applicable EPA regulations and will help to improve the environment for the citizens of Arecibo and Puerto Rico.

Mark Green added that "the emission standards contained in the permit are the most stringent conditions ever issued by the U.S. EPA for a facility of this type. The project will bring a state-of-the-art solution for fully compliant solid waste management and the generation of renewable energy. The project represents a viable, environmentally sound alternative to the continued reliance on non-compliant landfills that are currently polluting the island's natural resources."

Puerto Rico currently faces significant challenges related to solid waste management and energy generation. The island is 100 miles x 35 miles and has limited areas that are geologically suitable for new landfill development. All but a few of its current landfills are out of compliance with local and EPA regulations. Landfill leachate has contaminated portions of the island's ground water resources and landfill gas emissions are unmonitored and uncollected in almost all locations, creating significant hazards for local residents. In addition, recycling programs have never reached the 2006 goal of 35% and have hovered around 10% for over ten years, partially due to lack of markets, the high cost of transportation and limited public participation. With a population of nearly 3.7 million, the island waste generation is estimated at approximately 10,000 tons per day or 5-7 pounds per person, per day (one of the highest waste generation rates in the world). 90% of the island's energy is generated from imported fossil fuel and the need to develop renewable domestic energy sources is immediate.

According to an order issued by the Puerto Rico Environmental Quality Board (EQB), by October 2014, most of the island's landfills could be in the process of closing; with only the few able to meet federal and local operating standards expected to remain open. Together with aggressive recycling and composting, the Arecibo Resource Recovery Project can help Puerto Rico progress toward an integrated solid waste management system and away from the continued reliance on non-compliant landfills. Mark Green added, "This Project is only one part of a comprehensive solution for Puerto Rico -- it is designed to accept 2,100 tons of post-recycling waste per day. Recycling and composting need to increase and we are committed to working with municipalities to help them reach their goals."

The Resource Recovery Project proposed by Energy Answers will represent an investment into the Island's economy of approximately \$ 650 million U.S. dollars, plus approximately \$ 30 million annually in local purchases of goods and services during operation. Thousands of direct, indirect and induced jobs will be created during the course of the 3- year construction period, with 150 permanent green-collar jobs once the project is in operation.

The Arecibo Resource Recovery Facility will use Energy Answers' proprietary Processed Refuse Fuel technology. According to Energy Answers President, Patrick Mahoney, "Our system is more beneficial than traditional mass-burn waste-to-energy facilities and generates base load renewable energy and recovers valuable materials from municipal solid waste while dramatically reducing the greenhouse gas emissions associated with landfilling. It reduces our dependence on foreign fuels, creates new green-collar jobs, and revitalizes our industrial base while meeting the most stringent environmental regulations in the industry. It's a practical, sustainable and environmentally sound approach to energy generation and solid waste management."

Patrick Mahoney added, "We thank those well-informed citizens and officials of Arecibo who have enthusiastically supported our project development efforts. Energy Answers is committed to starting construction on the Arecibo Resource Recovery Project as soon as possible which will improve the economy and environment of the Arecibo region."

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