



Press Release

Vicinity Energy Acquires District Energy System Serving West Virginia University in Morgantown, WV

Vicinity Energy aims to reduce the carbon footprint of West Virginia University's district energy system by 50 percent in 2020

BOSTON, MA and MORGANTOWN, WV - July 6, 2020 - [Vicinity Energy](#) announced today that it has acquired Morgantown Energy Associates, the district energy system serving West Virginia University (WVU) in Morgantown, West Virginia, from an investment affiliate of Starwood Energy Group Global, L.L.C. This system provides steam to the Big 12 University's more than 60 buildings located throughout five campuses. Morgantown is now the 12th city served by Vicinity and brings its portfolio to a total of 19 district energy networks.

Located on the banks of the Monongahela River, the system was constructed and began servicing WVU in 1992, historically burning coal as its primary fuel supply to distribute steam through a 2.25 mile underground distribution system. Vicinity ceased coal operations in June and will primarily burn natural gas to meet the heating, cooling, domestic hot water and sterilization needs of the University and Medical Center's footprint of 9.8 million square feet, eliminating approximately 50 percent of the steam system's carbon footprint. Also, it will further improve air quality for WVU by significantly reducing other air pollutants and removing 4,800 truckloads of coal from the roads every year.

"We are proud to serve an elite institution like WVU and bring Vicinity's expertise in delivering highly reliable and sustainable district energy services to the University," said Bill DiCroce, president and chief executive officer of Vicinity Energy. "We are also excited by the opportunity to dramatically improve the environmental footprint of the system and improve local air quality for the University. Our dedication and focus to deliver mission critical district energy services to academic and healthcare customers allow us to be a strategic partner for WVU's critical energy needs and energy efficiency goals."

Vicinity intends to increase the resiliency of the system in 2020, ensuring it will be able to provide reliable energy to the University and its mission critical facilities at the Medical Center. The company will invest in the system to convert the existing natural gas fired infrastructure to dual fuel with ultra-low sulfur diesel (ULSD) as backup and will install two additional dual fuel boilers to the plant.

"During our period of ownership, Starwood Energy developed a plan to stop burning coal and repurpose the asset to burn clean natural gas to supply steam to WVU. This initiative was implemented by Vicinity Energy and is a great success story for our investors, WVU and Vicinity Energy," said Himanshu Saxena, chief executive officer of Starwood Energy. "We are pleased that Vicinity, as a trusted new owner, will continue to serve WVU in an environmentally sustainable fashion for years to come."

"The acquisition of Morgantown broadens Vicinity's presence in an important market segment, expands the company's operations into West Virginia and is part of our growth strategy in the United States," said Brian Mueller, chief development officer of Vicinity Energy.

Vicinity is the greener alternative, owning and operating some of the most efficient large generators within their respective energy grids and, through its ownership and operation of over 400 megawatts (MW) of combined heat and power (CHP) production, currently supplies district energy and related services to more than 210 million square feet of building space.

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About Vicinity Energy

Vicinity Energy is North America's largest provider of district energy solutions, offering energy supply, infrastructure investment and management services to municipal, commercial and institutional customers with mission-critical energy needs. Our 450+ skilled engineers, operators and energy experts have a singular dedication to our customers' success and a relentless focus on delivering reliable and efficient energy products and services.



About Starwood Energy Group

Starwood Energy Group is a private equity investment firm based in Greenwich, CT that specializes in energy infrastructure investments. Through its existing general opportunity funds and affiliated investment vehicles, Starwood Energy manages total equity commitments of approximately \$3 billion and has executed transactions totaling more than \$8 billion in enterprise value. For more information, please visit www.starwoodenergygroup.com.

Media Contacts

Vicinity Media Relations

Colleen Doherty

Communications Director

857 557 7814

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Starwood Energy Group

Tom Johnson / Dan Scorpio

(212) 371-5999

TBJ@abmac.com / DPS@abmac.com