



****NEWS RELEASE****

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Poseidon Resources Introduces Carlsbad Desalination Plant Construction and Engineering Team

Carlsbad, CA – Poseidon Resources Corporation today introduced the internationally-renowned team selected to design, engineer, construct and commission the Carlsbad seawater desalination project. In support of Poseidon Resources, the team consisting of Acciona Agua and its partners, American Water, J.R. Filanc Construction Company and PBS&J, will be responsible for building the largest seawater desalination plant in the Western Hemisphere.

“We are pleased to introduce to the San Diego County community the project team Poseidon Resources has selected to build the Carlsbad desalination plant,” said Walter J. Winrow, President of Poseidon Resources Corporation. “These companies have unparalleled water infrastructure capabilities globally and here in California and San Diego County. Our team has decades of experience in building large scale infrastructure projects, and their scientists and engineers include some of the leading experts in seawater desalination from around the world,” said Winrow. “Collectively, we believe we have assembled the best team to build one of California’s most important water infrastructure projects in decades,” Winrow added.

Poseidon Resources has worked in partnership with the City of Carlsbad since 1998 to build the \$270 million desalination plant, which will have a capacity to produce 50-million-gallons-per-day of high quality drinking water and serve 300,000 residents annually.

Carlsbad Mayor Claude “Bud” Lewis participated in the ceremony and stated, “The desalination plant is critical to the long-term economic vitality of the City of Carlsbad. The plant is capable of providing regional benefits as well, and I’m glad to see so many public water agencies from around San Diego County are joining our efforts to make this project a reality,” said Mayor Lewis.

Over 65% of the plant’s 50 MGD capacity is already subscribed through long-term water purchase agreements with public water agencies including the Carlsbad Municipal Water District, Valley Center Municipal Water District, Rincon del Diablo Municipal Water District and the Sweetwater Authority. An additional half-dozen San Diego County public water agencies are in various stages of negotiations to contract for the plant’s remaining capacity.

Acciona Agua is providing the Carlsbad plant with expertise in desalination technology. “Acciona Agua is a world leader in large-scale seawater reverse osmosis desalination facilities and has been responsible for producing in excess of 360 million gallons per day of fresh water,” said Luis Castilla, Managing Director, Acciona Agua. “We are excited to be here in Carlsbad, California and look forward to applying our international expertise in seawater desalination to help address San Diego County’s drinking water needs,” closed Castilla.

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Teaming with Acciona Agua, is American Water. “As the largest water service provider in North America, American Water has over a century of experience,” said Walter Howard, Senior Vice President, Sales and Marketing for American Water. “We understand the responsibility associated with delivering a reliable and high quality supply of water, and we value the relationship between the environment and our water supply,” closed Howard.

Before plant construction can begin, Poseidon Resources must secure a Coastal Development Permit from the California Coastal Commission. A public hearing on the permit application is anticipated later this year. Meanwhile, support for the plant in the state’s capital is building. “We have been watching the progress of this facility very closely and are pleased to see it moving closer to fruition,” said Governor Schwarzenegger’s San Diego County District Director Cameron Durckel. “The state’s water infrastructure and water reliability are top priorities for the Governor. In the case of this Carlsbad plant, San Diego County has an opportunity to develop a local water supply, relieving pressure on the Colorado River and Sacramento-San Joaquin Bay Delta. It’s absolutely imperative to the state’s long-term economic prosperity that we have a reliable and affordable supply of water serving Southern California,” closed Durckel.

Poseidon Resources’ Carlsbad desalination plant team member profiles:

Acciona Agua, www.acciona-agua.com, is one of the largest seawater desalination companies in the world. Over the past 25 years, Acciona has designed, built and operated nearly 70 desalination facilities and 320 water treatment plants around the world. Acciona is one of the largest infrastructure companies in Europe with 33,000 employees and a market capitalization over \$10 billion.

With headquarters in Voorhees, NJ, American Water is the largest water services provider in North America with over a century of experience. The company employs approximately 7,000 dedicated professionals who provide high-quality water, wastewater and other related services to 17 million people in 29 states and Canada, including local utility operations in Chula Vista. More information can be found by visiting www.amwater.com.

Filanc, www.filanc.com, is a regional construction company that has completed more than 300 water and wastewater treatment projects for cities, counties and water agencies throughout California and the Southwest. Their construction expertise includes treatment plants, water reclamation facilities, desalination facilities, solid waste recycling facilities, pump stations, reservoirs, and hydroelectric generating facilities. Filanc is headquartered in Escondido, California.

PBS&J, www.pbsj.com, is a national firm that provides infrastructure planning, engineering, construction, architecture, and program management services to public and private clients. PBS&J has more than 75 offices located throughout the United States and abroad, including local branches in Encinitas, Riverside and San Diego.

Poseidon Resources specializes in developing, financing and managing water infrastructure projects, primarily seawater desalination and water treatment plants. These projects are implemented through innovative public-private partnerships in which private enterprise assumes the developmental and financial risks. For more information on Poseidon Resources and the Carlsbad desalination plant visit our Carlsbad website at www.carlsbad-desal.com and for information on the Huntington Beach project visit our Huntington Beach website at www.hbfreshwater.com.