

PRESS RELEASE



Efficiently Delivering Green Energy

FOR IMMEDIATE RELEASE

Big Red Goes Green

Energy Systems Group Implements Building Upgrades and Energy Savings Program at University of Arkansas – Fayetteville

Evansville, Ind. (December 15, 2008) – Energy Systems Group (ESG) has been awarded a \$21.3 million contract by the University of Arkansas to design and install facility improvements that reduce energy consumption and address deferred maintenance issues in 56 buildings throughout the Fayetteville campus. The contract marks phase one of an ESG-University of Arkansas campus-wide energy savings and facility modernization program. The energy performance agreement guarantees energy savings over a 13-year period will cover the cost of building improvements. ESG will reduce the University's total annual energy consumption on campus by 30 percent.

ESG will make key energy conservation improvements to the buildings over a two year period, beginning in early 2009. Renovations will include the installation of more efficient lighting, heating and cooling systems, water conservation equipment, and installation of a solar powered heater for the swimming pool in the Health Education and Recreation building.

In addition, ESG will provide the University with a campus-wide communications campaign about the energy savings performance initiatives. The "Razors EDGE" program will provide students, faculty, staff and facility maintenance specialists with timely information regarding construction schedules, program benefits and training on use of the new equipment and controls.

"This partnership between ESG and the University of Arkansas underlines our commitment to sustainability and green environmental initiatives," said Chancellor G. David Gearhart. "It is a definite plus that ESG is able to guarantee these improvements will pay for themselves, and, in the long term, save money for both the University and the Arkansas taxpayers."

"The University of Arkansas has taken an exceptional step toward significantly increasing comfort and building functionality throughout its Fayetteville campus, while improving work and learning environments. Lower energy consumption will also reduce the University's carbon footprint thus advancing the University's sustainability initiatives," said Jim Adams, ESG president.

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About Energy Systems Group

Energy Systems Group (ESG) is an award-winning energy services company operating from 15 offices in the Midwest, Mid Atlantic and Southern United States. ESG's core business of Performance Contracting uses energy efficiency, technology, and long term financing to help building owners modernize their facilities. Renewable Energy solutions and assets are adding a whole new dimension to ESG's growth. ESG is a wholly owned subsidiary of Vectren Corporation (NYSE:VVC). To learn more about ESG, visit www.energysystemsgroup.com.

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