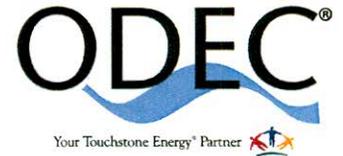


ODEC RESPONSE

RECEIVED MAR 19 2012



March 16, 2012

Mr. Michael W. Johnson, County Administrator
Southampton County, Virginia
26022 Administration Center Drive
P.O. Box 400
Courtland, VA 23837

RE: CYPRESS CREEK POWER STATION

Dear Mr. Johnson:

This is to acknowledge the receipt of your letter dated March 06, 2012. It has taken us by surprise at the anti-business vote by the Southampton Board of Supervisors (Board). There are three points I would like to bring to your and the Boards' attention:

First, a thorough vetting of issues and concerns by hearing both sides of any issue is the only way a public body can determine the correct course of action to determine fair and just public policy. The Tidewater News in their editorial stated "...Old Dominion Electric Cooperative's proposed coal fired power plant will undergo as intense scrutiny from state and federal regulators as any utility project has ever received in Virginia. Environmentalists will file lawsuits and add even more oversight from the courts. It's way too premature for anyone to be scared for their grandchildren, as West declared in the Southampton board's rush to judgment." The point to be emphasized is premature. This project is in a holding pattern until there is clarity and certainty in the multiple environmental rules recently proposed by the EPA. Then it will take over 2 years of intense public review, multiple public hearings, independent 3rd party review and only then can the licensing agencies determine if the project can go forward without harm to people and the environment coming on line in the 2021/22 time frame. All of this is based on science, testimony from expert witnesses and public input to reach a reasonable decision based on the facts. At this point in the process, we will be sued by multiple environmental groups adding more oversight and intense review to all aspects of this project.

Second, "Southampton's resolution of opposition is especially hypocritical given that the county for years has been home to its own coal-fired electricity plant", again quoting The Tidewater News. This plant has been operated by a utility responsible, reliable and within the copious rules and regulations of multiple environmental agencies for approximately 20 years. No neighboring locality has complained about being "scared for their grandchildren, as West declared in the Southampton board's rush to judgment." As this action suggests, do localities weigh in on other localities economic development projects without any facts or basis for their decisions? What a slippery slope the Southampton Board of Supervisors has entered as

Old Dominion Electric Cooperative
4201 Dominion Boulevard • Glen Allen, Virginia 23060
Tel: 804-747-0592 • Fax: 804-747-3742
www.odec.com

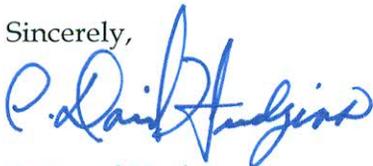
regionalism is the cornerstone of economic development and this unwarranted vote will set back this critical objective in a hyper competitive economy.

As this project will generate over 3,000 construction jobs for 4 years, 225 permanent jobs, and 5 billion dollars of investment generating a multiplier effect of multimillions as it spreads through the regional economy, saying this action is anti-business and anti-jobs is a gross understatement. This could be harmful for Southampton County who competes for new companies and new jobs vis-a-vis its sister localities and rest assured this decision will be used in the recruiting wars for those companies.

Third, as a 10 year Southampton County business who pays taxes to your county (see attached real estate and personal property tax statement for tax year 2011) every year we were stunned not to be advised or notified or extended the courtesy to be informed about this agenda item. Again hearing both sides of an important issue is the bedrock of public policy and to adopt a motion with little debate and no knowledge of complex issues is simply incomprehensible. Is this how other tax paying businesses are treated in Southampton County? This action does give us pause.

Thank you in advance of your thoughtful consideration.

Sincerely,



C. David Hudgins
Director, Member & External Relations

XC: Mr. Tyrone Franklin, County Administrator, Surry County
Mr. Thomas E. Harris, County Administrator, Sussex County



**REAL ESTATE TAX STATEMENT
SOUTHAMPTON COUNTY**

D.K. BRITT, TREASURER
P.O. BOX 8
COURTLAND, VA 23837-0008

TAX YEAR 2011

ACCOUNT NUMBER
91

BILL NUMBER
18

DUE DATE: 12/05/11

PAY THIS AMOUNT
9372.18

OLD DOMINION ELECTRIC COOPERATIVE
BRYAN S ROGERS-VP & CONTROLLER
4201 DOMINION BLVD
GLEN ALLEN, VA 23060

INSTRUCTIONS

Real Estate Tax

1. The County Treasurer has no authority to make any assessments or adjustments. If you feel there is an error in the assessment, please address your inquiry to the Commissioner of Revenue's Office (757) 653-3030.
2. Real Estate taxes are due by Dec 5 of this year. A 10% PENALTY will be charged with a \$10 min. whichever is greater if not paid by Dec. 5. Interest will be charged at the rate of 10% per year beginning Jan 1.
3. Change of Address section on reverse if applicable.

* See the back of this notice for payment options and additional information.

CURRENT YEAR ASSESSMENT INFORMATION

MAP NUMBER	DESCRIPTION	ACREAGE	LAND USE APPLIED	EXEMPTIONS APPLIED
	R/E GENERAL DISTRICT		000	

TAX RATE	LAND VALUE	VALUE BUILDINGS AND IMPROVEMENTS	TOTAL VALUE	TOTAL
770	1217166		1217166	9372.18
CREDITS APPLIED			<i>agrees to the 2011 see assessment</i>	
DELINQUENT AMOUNT (Description)				
AMOUNT DUE			9372.18 ✓	

KEEP THIS PART FOR YOUR RECORDS

Diexls 1830.222365.0122 \$ 9,372.18

ok (SUS)

11/27/11

Return this stub with payment

SOUTHAMPTON COUNTY CURRENT YEAR ASSESSMENT

MAP NUMBER

BILL NUMBER
18

TAX RATE	LAND VALUE	91 - OLD DOMINION ELECTRIC COOPERATIVE VALUE BUILDINGS AND IMPROVEMENTS	TOTAL VALUE	TOTAL
770	1217166		1217166	9372.18
CREDITS APPLIED				
DELINQUENT AMOUNT (Description)				
AMOUNT DUE			9372.18	



PERSONAL PROPERTY TAX STATEMENT
SOUTHAMPTON COUNTY
 D.K. BRITT, TREASURER
 P.O. BOX 8
 COURTLAND, VA 23837-0008

TAX YEAR 2011

ACCOUNT NUMBER
91

BILL NUMBER
1

DUE DATE
12/05/2011

PAY THIS AMOUNT
233.50

OLD DOMINION ELECTRIC COOPERATIVE
 BRYAN S ROGERS-VP & CONTROLLER
 4201 DOMINION BLVD
 GLEN ALLEN, VA 23060

INSTRUCTIONS

Personal Property

- A "Y" Denotes a qualifying vehicle for Personal Property Tax Relief.
- A 10% penalty will be charged on the original tax amount before the state qualified credit if not paid by December 5. Interest will be charged monthly at the rate of 10% per year after Jan 1.
- The County Treasurer has no authority to make any assessments or adjustments. If you feel there is an error in the assessment, please address your inquiry to the Commissioner of Revenue's office.

* See the back of this notice for payment options and additional information.

Tax Rates:

CO \$2.40 per \$100 PP ^{\$5.00} \$4.50 per \$100 FA \$1.95 per \$100 MA \$2.40 per \$100
 SE \$1.25 per \$100 MO \$.72 per \$100 ME \$.50 per \$100

CUSTOMER NAME	ACCOUNT NUMBER	BILL NUMBER	SOCIAL SECURITY NUMBER	DATE DUE			
OLD DOMINION ELECTRIC COO	91	1		12/05/11			
SUBJECT OF TAXATION	Q/V	# MO	ASSESSED VALUE	TAX AMOUNT	QUALIFIED STATE CREDIT	* 2010 LICENSE TAX	AMOUNT DUE
11 P/P 0000001 0001 001	N		4670 ✓	233.50			233.50 ✓
<i>agrees to the 2011 SCC assessment</i>							<i>ok SVS 11/22/11</i>

Drexels 1830.222360.0100 + 233.50 Return bottom portion with payment

Southampton County Personal Property Tax

CUSTOMER NAME	ACCOUNT NUMBER	BILL NUMBER	SOCIAL SECURITY NUMBER	DATE DUE			
OLD DOMINION ELECTRIC COO	91	1		12/05/11			
SUBJECT OF TAXATION	Q/V	# MO	ASSESSED VALUE	TAX AMOUNT	QUALIFIED STATE CREDIT	* 2010 LICENSE TAX	AMOUNT DUE
11 P/P 0000001 0001 001	N		4670	233.50			233.50
TOTAL TAX	DELINQUENT TAXES	TOTAL INTEREST	TOTAL PENALTY	TOTAL DUE			
233.50				233.50			

