



Press Release, September 18, 2013
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STATEMENT ON TELEMAR DEVELOPMENT GROUP

The San Benito Economic Development Corporation is disappointed that the proposed 171-megawatt power plant is no longer planned for San Benito by Telemark Development Group.

In March, the EDC received developers Peter Del Mastro, Larry Muno, and local representative Ben Neece and gave them a tour of two sites of interest, the San Benito city-owned airport property and the former La Palma Power Plant owned by a private company. The developers were pleased with the airport property and how it fit their specifications for the construction of a natural gas-fired powered plant.

To identify local investors, the group returned in July and conducted an information workshop in San Benito for potential investors from Mexico and featured attorney Matthew Schulz, who specializes in processing EB5 investor visa petitions for projects in the United States. Telemark planned to next present project details to potential investors, the City of San Benito, and the San Benito EDC for their review. The project scope, as explained by the developers, expanded to include the construction of a logistics trade warehouse for commerce with Mexico and the construction of a public arena to be gifted to San Benito for the continuation of public events such as the annual South Texas Youth Stock Show at the airport property.

Ultimately, the developers planned to make an offer to the City of San Benito this fall for the purchase of the property. The development group did not plan to ask the City or EDC for any financial assistance or financial participation in the project. The concerns that have been raised recently about the legitimacy of the investors give Telemark the opportunity to respond about its corporate structure and existence. We encourage Telemark to do so and hope that the proposed new power plant becomes a reality somewhere in Cameron County.

New power plants are to be constructed in Brownsville, Harlingen, and Edinburg by other private companies. More electrical generation is needed in the Rio Grande Valley so that San Benito and other Valley communities are not left vulnerable to energy shortages. The more energy is produced locally in the Valley versus bringing it in from sources north of the Valley, the more secure we will be in our ability to attract new companies and support our projected growth.

The EDC will continue to explore investment and development options for the airport property and looks forward to working closely with the city in exploring other opportunities.