



## PRESS RELEASE

### CANADIAN HYDRO TO SELL GREEN POWER IN SUPPORT OF ALBERTA URBAN MUNICIPALITIES ASSOCIATION CONTRACT WITH NEXEN MARKETING

**Calgary, Canada – March 2, 2004 (TSX: KHD):** Canadian Hydro Developers, Inc. today announced that it has entered into a multi-year agreement with Nexen Inc. to sell 40,000 MWh per year of Renewable Energy Certificates (“REC”) in support of Nexen’s contract to sell electricity to the Alberta Urban Municipalities Association (“AUMA”). As part of the AUMA’s electricity aggregation program, 20% of the electricity purchased will come from low-impact renewable energy sources. This commitment is equivalent to providing 20% green power to 30,000 average homes in Alberta. It also represents a 10-fold increase in green power purchased by the AUMA from the previous contract. Financial terms of the agreement are confidential.

A REC represents the ‘green’ in ‘green power’. When RECs are purchased, the environmental performance of the overall electricity supply is improved. The environmental benefits of green power include a reduction in air contaminants, lower Greenhouse Gas emissions and less water consumption than traditional sources of electricity.

“We are very pleased to be the preferred supplier of RECs for Nexen’s contract with the AUMA,” said John Keating, CEO of Canadian Hydro. “The AUMA is leading the way with its commitment to renewable energy and is an excellent example to other municipalities across Canada. This sale is an example of Canadian Hydro’s ongoing efforts to unlock the value of our inventory of RECs.”

“As large consumers of electricity, our members are concerned with the environmental impacts of traditional sources of power,” said John McGowan, CEO of AUMA. “This purchase of RECs represents a giant step for our members and a significant contribution towards minimizing our impact on the environment.”

“This agreement is a great example of our focus on customer service,” commented Bob Black, VP-Energy Marketing of Nexen. “This agreement ensures we will be able to meet our green power commitment to the AUMA.”

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#### **About Canadian Hydro Developers, Inc.**

*Canadian Hydro is a developer, owner and operator of low-impact renewable power plants, which are all certified under the EcoLogo<sup>M</sup> program. The Company’s future projects, including the Grande Prairie EcoPower<sup>®</sup> Centre, Pingston Expansion and Upper Mamquam Hydroelectric Projects are slated for certification as low-impact renewable energy facilities.*

*Canadian Hydro Developers, Inc. is passionate about meeting the goals of investors and the needs of the environment. As industry leaders, Canadian Hydro is focused on building a sustainable future for Canada and with over 14 years experience, Canadian Hydro is the working model for the unlimited development potential of low-impact renewable energy.*

## **About Alberta Urban Municipalities Association**

*The AUMA provides leadership in advocating local government interests to the provincial government and other organizations, and provides services that address the needs of its membership. The AUMA electricity aggregation program allows cities, towns and villages in Alberta to purchase their electricity under one, larger contract, resulting in savings through economies of scale.*

## **About Nexen Inc.**

*Nexen Inc. is an independent, Canadian-based global energy and chemicals company, listed on the Toronto and New York stock exchanges under the symbol NXY. They are uniquely positioned for growth in the deep-water Gulf of Mexico, the Athabasca oil sands of Alberta, the Middle East and West Africa. They add value for shareholders through successful full-cycle oil and gas exploration and development, a growing industrial bleaching chemicals business, and leadership in ethics, integrity and environmental protection. Nexen entered the retail power business in 2001, supplying retail services to industrial and commercial customers.*

## **For further information, please contact:**

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