**North Carolina's Electric Cooperatives and North Carolina Electric Membership Corporation Invest in Microcell Corporation**

RALEIGH, N.C. (July 26, 2006) – North Carolina's electric cooperatives and North Carolina Electric Membership Corporation (NCEMC) announced today they have become investors in Microcell Corporation, a local fuel cell company.

According to Rick Thomas, Chief Executive Officer of NCEMC, "This investment represents NCEMC's and the member-cooperatives' commitment to environmental protection and clean technology. Fuel cells have great potential to benefit customers in rural areas and we want to be part of its development."

"The recent achievement of our technical milestones confirms Microcell's ability to scale up to meet larger, multi-kW power requirements for remote locations" said Ray Eshraghi, Microcell's President and Chief Executive Officer.

Fuel cells are electrochemical devices that convert chemical energy directly into electrical energy. Unlike batteries, which convert chemical energy stored within the battery, fuel cells theoretically continue to deliver electrical energy as long as fuel is supplied.

At the core of the company's technology is the 'microcell' design concept. Its extrusion-based scalable process for cost effective large-scale production, and plug and play core technology distinguish it from other fuel cell technologies. It incorporates all the critical components of a planar Proton Exchange Membrane (PEM) fuel cell in a single fiber ('microcell'). The microcell is around 500 - 1000 micrometers in diameter and produced via an automated extrusion process.

Microcell is the world leader in PEM microfiber fuel cells that operate on a cylindrical platform. The company is in partnership with Pepco Holdings Inc., Progress Energy and Duke Energy.

North Carolina's electric cooperatives include the 27 distribution cooperatives across the state. North Carolina Electric Membership Corporation is the generation and transmission cooperative that works on behalf of the 27 electric cooperatives. North Carolina's electric cooperatives provide energy to 2.4 million people in 93 of the state's 100 counties, primarily in the rural areas of the state. The electric cooperatives own and maintain 92,000 miles of power lines, the most of any electric utility in North Carolina.

For more information, please visit NCEMC's website at www.ncemcs.com and Microcell's website at www.microcellcorp.com.