



Con Edison Completes Sales of Major New York City Power Plants

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Consolidated Edison Company of New York Inc. (Con Edison) completed the sale of its major New York City power plants on Friday when it transferred ownership of the 1,090-megawatt Astoria Generating Station in Astoria, Queens and the 494-megawatt Gowanus and the 271-megawatt Narrows Gas Turbine sites, both in Brooklyn, to Orion Power Holdings. The price paid was \$550 million.

"The stage has been set for true wholesale energy supply competition within New York City. While Con Edison will continue to own small power plants that produce steam and electricity in the city, the majority of electricity used by our customers, some 5,500 megawatts, will now be generated by several different power plant owners. We wish the power plant employees well as they continue to serve the energy needs of New Yorkers," said Con Edison Chairman and CEO Eugene R. McGrath.

On March 3, 1999, Orion Power Holdings was selected as the winning bidder on the Astoria bundle. Orion will honor all union employee contracts.

The Astoria Generating Station traces its roots back to the boom times of the 1950s when it began to serve the power needs of a growing population. Astoria Units 1 and 2 came on line in 1953 and 1954 respectively, followed by Units 3, 4, 5 from 1958 to 1962. Since that time, both Unit 1 and Unit 2 have been retired. Astoria Unit 6, now called Poletti, was sold in 1975 to the New York Power Authority, which brought it on line in 1977 and still operates it today.

The Gowanus and the Narrows gas turbine sites are located one mile apart from each other on the waterfront of Upper New York Bay. These facilities are unique because they are mounted on movable, floating barges. The Gowanus site is the world's largest floating power plant with 32 industrial engines ready to supply power during periods of high demand.

Con Edison divested its electric generating capacity located in New York City as part of a restructuring plan approved by the New York Public Service Commission in 1997. In order to foster a competitive wholesale electricity market in New York City, the company's in-city electric generating facilities were divided into three bundles, each purchased by a different buyer.

Earlier this year on June 18, the 1,753-megawatt Ravenswood Generating Station and the 415-megawatt Ravenswood Gas Turbines, both in Long Island City, Queens were sold to KeySpan Energy Inc. for \$597 million.

On June 25, 1999, the 842-megawatt Arthur Kill Generating Station in the Travis section of Staten Island, and the 614-megawatt Astoria Gas Turbines in Astoria, Queens, were sold to NRG Energy Inc for \$505 million.

Con Edison is one of the nation's largest utility companies, with more than \$7 billion in annual revenues and \$14 billion in assets. The company, a subsidiary of Consolidated Edison Inc., provides electric, gas and steam service to more than three million customers in New York City and Westchester County, New York. For additional financial, operations and customer service information, visit Con Edison's web site at www.coned.com.