ALSTOM

Press release

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Alstom wins first turnkey cogeneration order in Russia

Alstom has won a contract with OJSC Mosenergo, a leading Russian utility, for its part in the turnkey delivery of a 420 MW generating unit at Mosenergo's combined heat and power plant*, TPP26, in Moscow.

The new unit No8 will increase capacity at the plant to 1830 MW. The project is part of Mosenergo's programme to develop Moscow's power network to meet the fast-growing needs for power and heat in the capital's region.

The contract will be carried out by Alstom in consortium with its Russian partner, Power Engineering Group Energomachinostroitelny Alliance (EMAlliance). This contract follows the strategic partnership agreement signed in October 2005 by Alstom and EMAlliance. Alstom's share of the total 280 million euros contract will be 170 million euros.

Alstom will provide an integrated power solution including the engineering, procurement, and commissioning of the unit. Major components to be delivered by Alstom include a multi-shaft combined cycle unit comprising a GT 26 gas turbine, steam turbine, two generators, one heat recovery steam generator and the control system for the entire facility.
EMAlliance will manage civil works and construction and will provide the balance of plant, including the cooling tower, electrical equipment, heat exchangers and piping for district heating system.

The power generating unit is scheduled to be in commercial operation in 2009.

Patrick Kron, Chairman and Chief Executive Officer of ALSTOM, declared today during the signature ceremony in Moscow: "ALSTOM is proud to help Russia meet its fast-growing needs for power with the most up-to-date combined cycle power-generating technology. This turnkey project has no counterpart in the Russian power industry. It will produce electricity at an efficiency rate of up to 59%, thus dramatically reducing CO2 emissions in comparison with other power plants."

**Cogeneration is an efficient, clean, and reliable approach to generating power and thermal energy from a single fuel source. It uses heat that is otherwise discarded from a conventional power generation to produce thermal energy. This energy is used to provide cooling or heating for industrial facilities, district energy systems, and commercial buildings. By recycling this waste heat, cogeneration systems achieve effective electrical efficiencies. Cogeneration's higher efficiencies also reduce air emissions of nitrous oxides, sulphur dioxide, mercury, particulate matter, and carbon dioxide, the leading greenhouse gas associated with climate change.*

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