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MADISON DEARBORN PARTNERS, LLC AND US POWER GENERATING ACQUIRE THREE NEW YORK CITY POWER PLANTS, 23% OF NEW YORK CITY'S ELECTRIC GENERATING CAPACITY, FOR \$975 MILLION

New York, NY, Feb. 23, 2006 - Madison Dearborn Partners, LLC and US Power Generating Company today completed the \$975M acquisition of three New York City power plants from Reliant Energy. The sale involves the Astoria Generating Station (Queens), and the Gowanus and Narrows Generating Stations (Brooklyn). These three generating assets have a combined capacity of approximately 2,100MW representing 23% of New York City's existing generating capacity.

"As a life-long New Yorker, I look forward to having our management team take responsibility for these major power facilities," said Jacob Worenklein, Chairman and Chief Executive Officer of the acquiring entity, Astoria Generating Company Acquisitions, and of US Power Generating Company, which will manage the plants.

"We expect to invest in these power plants to enhance their reliability and efficiency, to improve environmental quality in our communities, and to help meet the energy needs of the growing population and economy of New York," Mr. Worenklein said.

Madison Dearborn Partners is a private equity firm, whose major investors include public and private pension funds, university endowments and private foundations, including those located in New York. In addition, an entity owned by the family of Ray Hunt and affiliated with Hunt Oil Company is an investor in US Power Generating Company and will have an ownership interest in the acquired power plants.

The acquisition was approved by various state and federal regulatory commissions including the New York Public Service Commission, which issued its order of approval last week.

The financing was led by Morgan Stanley, Goldman Sachs, Merrill Lynch, and BNP Paribas as joint lead arrangers. Kirkland & Ellis represented the acquirers, Vinson & Elkins represented the seller, Paul

Weiss Rifkind Wharton & Garrison represented US Power Generating Company, and Shearman & Sterling and Latham & Watkins were counsel for the lender groups.

ABOUT MADISON DEARBORN PARTNERS

Madison Dearborn Partners, based in Chicago, is one of the largest and most experienced private equity investment firms in the United States. MDP has approximately \$12 billion of equity capital under management. MDP focuses on management buyout transactions and other private equity investments across a broad spectrum of industries, including basic industries, communications, consumer, financial services, and health care. MDP has had an energy and power sector focus within its basic industries group since 2000. For more information, please visit the MDP website at www.mdcp.com

ABOUT US POWER GENERATING COMPANY

New York-based US Power Generating Company, LLC was formed in 2003 by Jacob Worenklein to acquire US power generating facilities and to operate and manage these projects. An entity controlled by the family of Ray Hunt and affiliated with Hunt Oil Company is a minority owner of USPG.