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ASTORIA GENERATING AND EBG HOLDINGS COMPLETE MERGER Combination, Named USPowerGen, Establishes Leader in Northeast Power Generation

New York, NY – June 1, 2007 –Two major power generators in New York City and Boston -- Astoria Generating Company Holdings, LLC (“Astoria Generating”) and EBG Holdings LLC (“EBG Holdings”) -- today announced that they have completed the merger of the companies announced February 28, 2007. The combined company, named US Power Generating Company (“USPowerGen”), is valued in excess of \$5 billion and would have had pro-forma combined revenues of approximately \$1.5 billion in 2006.

“The speed with which we were able to garner the support and approvals necessary to complete this transaction is a testament to the confidence that investors and public officials have in this combined company,” said Jacob J. Worenklein, chairman and chief executive officer of USPowerGen. “We believe that the new organization is well positioned with the size and scale necessary to meet the increasing needs of our customers and take advantage of the enormous growth opportunities in New York and New England. Additionally, this merger allows us to better diversify our revenue stream, improve our overall asset performance, and better supply this high demand region with more efficient and environmentally sustainable energy.”

Worenklein concluded, “We are confident our shareholders, customers and employees will benefit from USPowerGen’s strong financials, sound operational structure, and long-term opportunities for growth.”

“From the time we began managing EBG’s subsidiaries in 2005, our primary goal has been to deliver outstanding value to EBG’s unitholders. Through the successful completion of this merger, we have accomplished that goal in a more accelerated timeframe than we projected when EBG completed its recapitalization in December,” said William Kriegel, outgoing chairman and chief executive officer of EBG Holdings. “The experienced USPowerGen team is uniquely positioned to manage the combined portfolio which provides an exceptional platform for future growth.”

Kriegel will remain chairman and CEO of K Road Power, which will continue to actively invest in the energy sector.

Madison Dearborn Partners, LLC, a Chicago-based private equity firm, and Hunt Generation Investments, LP, a Dallas based energy company owned by Ray L. Hunt, formerly majority owners in Astoria Generating, played an important role in Astoria's success and were instrumental in the acquisition of 100 percent of the interest in Astoria Generating Company, L.P and Orion Power Operating Services Astoria, Inc. from Reliant Energy. Madison Dearborn remains the largest single holder of USPowerGen shares.

The transaction received all necessary regulatory approvals including those from the New York Public Service Commission, the Federal Energy Regulation Commission and the Department of Justice under the Hart-Scott-Rodino Antitrust Improvements Act of 1976. Additionally, the merger was approved by each company's board of directors and equity investors.

USPowerGen owns and operates eight power generation facilities with a total capacity of over 5,000 Megawatts (MW). Subsidiaries of the company sell their energy and capacity into the NYISO and ISO-New England deregulated markets, representing generation sufficient to serve approximately 20% of the overall load in New York City as well as approximately 50% of the overall load in the Boston metropolitan area.

Credit Suisse Securities acted as financial advisors and Kirkland & Ellis LLP and Paul Weiss Rifkind Wharton & Garrison acted as legal advisors to Astoria Generating and its affiliates in connection with the transaction. Lehman Brothers acted as financial advisors and Debevoise & Plimpton LLP acted as legal advisors to EBG Holdings.

ABOUT ASTORIA GENERATING

USPowerGen, through its subsidiaries, owns and operates Boston Generating LLC, Mystic I, LLC, Mystic Development, LLC, and Fore River Development, LLC, the Astoria Generating Station, the Gowanus Gas Turbine Facility and the Narrows Gas Turbine Facility. More information regarding USPowerGen can be found at www.uspowergen.com.