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MILBANK CLOSSES \$2.1 BILLION RECAPITALIZATION OF BOSTON GENERATING LLC

*Credit Suisse Financing for Entity Owned by Consortium of Hedge Funds
Is One of the Largest Power Sector Financings in North America in 2006*

NEW YORK, January 12, 2007 – Leveraging its expertise in the merchant power and energy sector, the international law firm Milbank, Tweed, Hadley & McCloy LLP has successfully closed the \$2.1 billion recapitalization of Boston Generating LLC. Milbank, led by partner Eric Silverman, represented Credit Suisse and Goldman Sachs as lead arrangers in negotiating and structuring the transaction.

Milbank's Silverman commented, "As hedge funds and private equity investors have moved into the merchant energy sector, we have successfully worked to mobilize capital to facilitate recapitalizations and improve the financial profile of merchant generators. The \$2.1 billion recapitalization of Boston Generating was made possible by favorable power and energy market conditions in New England and abundant liquidity in the Term B debt markets. Having worked with Credit Suisse and the other parties involved in a prior Boston Generating recapitalization which closed in October 2005, we were able to document and close the transaction in just three weeks."

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In addition to Mr. Silverman, the Milbank team included partners William Bice, Mark Regante and associates Brandon Dalling, Juan Carlos Espinoza, Ricardo Exantus, Heather Viets and Regulatory Advisor James Liles.

About the Recapitalization:

Credit Suisse and Goldman Sachs launched the \$2.1 billion refinancing of Boston Generating on December 4, 2006. The debt financing package consists of \$1.4 billion in first lien debt, and a \$400 million second lien term loan. The first lien credit facility consists of a \$1.08 billion term loan, a \$250 million synthetic letter of credit and a \$70 million revolving credit facility.

Together with an additional \$300 million of unsecured debt issued by holding company Exelon Boston Generating (EBG), the funds will be used to refinance \$796 million of existing Boston Generating debt, provide working capital, fund a \$285 million reserve account, provide a \$70 million revolver and pay for \$1.025 billion of EBG units.

Boston Generating LLC is a portfolio of Massachusetts-based oil and gas-fired merchant assets totaling 3,405 GW in capacity, comprised of the Mystic 7 (560 MW) and Fore River (832 MW) gas and oil projects and the Mystic 8 and 9 gas-fired projects (both 832 MW.) Developed as merchant plants by Sithe Boston, the projects ran into problems during the construction phase and were handed back to the lenders, who were subsequently taken out in a \$1.3 billion recapitalization led by a consortium of hedge funds led by EBG Holdings, LLC and K Road Power Inc. in October 2005.

The \$1.3 billion recapitalization allowed the owners to establish reliability must run contracts with the New England Independent System Operator, forward capacity revenues, and payments under hedging arrangements, which in turn have enabled the assets to support greater levels of debt, resulting in the successful \$2.1 billion refinancing.

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Milbank, a longstanding leader in the energy and power sectors, was recently awarded the Chambers and Partners 2006 “Global Energy & Project Law Firm of the Year” Award based on their involvement with a range of global power, oil & gas, renewables, infrastructure, natural resources and technology related deals and financings during the year.

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About Milbank

Milbank, Tweed, Hadley & McCloy LLP is a preeminent global law firm that for more than 140 years has provided innovative legal solutions in many of the world’s largest, most complex, “first-ever” corporate transactions and litigation. Our transactional expertise includes capital markets, corporate finance and transactions, project finance, acquisition finance, and other major fields of law practice. Milbank litigation teams resolve disputes involving mergers and acquisitions, proxy battles, financings and securities offerings, intellectual property, white collar crime, and corporate restructurings, among others. Our clients range from prominent multinational financial, industrial and commercial enterprises to governments, institutions and individuals. The Firm is headquartered in New York, with offices in Los Angeles, Washington, DC, London, Frankfurt, Munich, Tokyo, Hong Kong, Singapore and Beijing.

To learn more about Milbank and its attorneys, go to www.milbank.com.

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