

ALSTOM TO BUILD PILOT PLANT IN THE US TO DEMONSTRATE ITS UNIQUE CO₂ CAPTURE PROCESS

ALSTOM, the Electric Power Research Institute (EPRI) and We Energies are combining forces to build a pilot plant to demonstrate a unique carbon dioxide (CO₂) capture process - a major step in assessing new technology that could have a significant impact on lowering emissions from fossil-fuel-burning power plants.

ALSTOM will design, construct and operate a 5 Megawatt pilot system that will capture CO₂ from a portion of boiler flue gas at the We Energies power plant in Pleasant Prairie, Wisconsin, US. The system, the first of its kind in the US, will incorporate the carbon dioxide capture processes developed by ALSTOM, a leading manufacturer of power generation systems, equipment and services.

The pilot is scheduled to be commissioned at the Pleasant Prairie Power Plant in mid-2007 and will be operated for at least one year. EPRI will conduct an engineering/environmental performance and cost analysis during the operation.

"The development of cost-effective carbon dioxide capture technology is one of the most important environmental challenges facing the utility industry in the 21st Century," said Rick Kuester, executive vice president of We Energies. "We are pleased to partner with ALSTOM and EPRI in the development of this innovative technology."

The ALSTOM carbon capture process uses chilled ammonia to capture CO₂. This process dramatically reduces the energy required to capture carbon dioxide and isolate it in a highly concentrated, high-pressure form. In laboratory testing sponsored by ALSTOM, EPRI, Statoil and others, the process has demonstrated the potential to capture over 90% of CO₂ at a cost that is far less expensive than other carbon capture technologies.

The isolated CO₂, once captured, can be used commercially or sequestered in suitable underground geological sites.

EPRI will conduct an extensive evaluation of the system's performance and support the development of technological and economic analyses associated with applying the carbon-capture process on a commercial scale, primarily to larger, coal-burning power plants.

“We are very excited to reach this milestone in the development of a significant technology which has the potential to have a broad impact on the future of electricity generation,” said EPRI Vice President of Generation Chris Larsen. “Evaluating and developing technology for economical post-combustion CO₂ capture is critical to ensure that we keep coal as a viable electricity generation option. Nineteen other utilities, which represent a large portion of the coal-burning utilities in the United States, have committed to support this project and we hope the results from the analysis will encourage additional participation.”

About We Energies

We Energies serves more than 1.1 million electric customers in Wisconsin and Michigan's Upper Peninsula and more than one million natural gas customers in Wisconsin. Its energy prices are approximately 10 percent below the average for major U.S. cities. We Energies is the trade name of Wisconsin Electric Power Company and Wisconsin Gas LLC, the principal utility subsidiaries of Wisconsin Energy Corporation (NYSE: WEC). Visit the We Energies Web site at www.we-energies.com. Learn more about Wisconsin Energy Corporation by visiting www.wisconsinenergy.com.

About the Electric Power Research Institute

The Electric Power Research Institute (EPRI), with major locations in Palo Alto, California, and Charlotte, North Carolina, was established in 1973 as an independent, nonprofit center for public interest energy and environmental research. EPRI brings together member organizations, the Institute's scientists and engineers, and other leading experts to work collaboratively on solutions to the challenges of electric power. These solutions span nearly every area of power generation, delivery, and use, including health, safety, and environment. EPRI's members represent over 90% of the electricity generated in the United States. International participation represents nearly 15% of EPRI's total R&D program.

About ALSTOM

ALSTOM sets the benchmark for innovative, environmentally friendly technologies in the world of power and rail transport infrastructure. ALSTOM built the fastest train and the highest capacity automated metro in the world, and provides turnkey integrated power plant solutions and associated services for a wide variety of energy sources, including hydro, gas and coal. The Group employs 60,000 people in 70 countries, and had sales of € 13,4 billion in 2005/06.

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