

**Blackstone Capital Partners, Together with Bruce Wrobel and Management,
Acquires a Majority Interest in Sithe Global Power,
a Leading Power Development Company**

Bruce Wrobel, CEO, to lead company with support of Blackstone ...
Reservoir Capital to retain a 20% ownership interest.

NEW YORK, New York, October 5, 2005 - Sithe Global Power LLC announced today that Blackstone Capital Partners, an affiliate of The Blackstone Group, and management, led by CEO Bruce Wrobel, have purchased an 80% ownership interest in the company from Reservoir Capital Group, which retains a 20% ownership stake. Blackstone has invested with the objective of facilitating Sithe Global Power's plans to develop, finance, construct and operate electric power generation facilities in the U.S. and certain international markets. Sithe has a portfolio of power plant projects in various stages of development and Blackstone, together with Reservoir, expects to invest over \$500 million of equity as these projects are financed and achieve commercial operation.

The Sithe Global Power portfolio of development projects includes the 1500 megawatt Desert Rock facility, a coal-fired project in New Mexico, the 750 megawatt Toquop facility, a coal-fired project in Nevada, the 300 megawatt River Hill facility, a waste coal-fired project in Pennsylvania, the 800 megawatt Goreway facility, a natural gas-fired facility in the greater Toronto area, and projects in Italy, Uganda, Yemen and other countries representing over 1,750 megawatts of aggregate generating capacity. Sithe Global Power's primary focus will be on the identification and development of large scale independent power projects within markets confronting capacity shortfalls. The Sithe Global Power management team has successfully developed over 50 power plant projects in nine countries with a capital investment in excess of \$5 billion. CEO Bruce Wrobel helped build the former Sithe Energies, Inc. from a startup in 1986 to one of the largest, most successful independent power producers in the U.S.

Bruce Wrobel, Sithe Global Power's Chairman and CEO, said: "I am delighted that Blackstone has chosen to partner with us in this transaction. They have the capital resources, experience and relationships in the energy sector in general and power generation in particular to support the company's management team as we execute a shared vision to realize the full value imbedded in our portfolio of power development projects. Together, the Sithe Global Power management team and our blue-chip investors provide a very attractive combination of industry expertise and financial strength." He added: "Craig Huff and the team from Reservoir Capital have been good partners for us over the last few years and we are pleased that they will continue to participate in the future of the company."

Craig Huff, President of Reservoir Capital Group, stated, "We have enjoyed working with Bruce and his team over the past few years on several successful power-related investments, including the creation of the Sithe Global Power platform. We remain committed to the power sector and are excited to team with Blackstone to continue growing the Sithe Global Power business in partnership with management."

Sithe Global Power is a privately held international independent power development company which focuses on certain target markets in North America, Mexico, Africa and the Middle East. Sithe Global Power is led by a seasoned management and technical team with extensive independent power project development experience, and a proven record of identifying project development and acquisition opportunities which create substantial value for its investors. With the financial backing of international private equity investors Blackstone Capital Partners and Reservoir Capital, the company possesses significant financial and operational capability to generate and participate in multiple North American and international power development projects. For additional information, please call (212) 351-0033.

David Foley, a Senior Managing Director of The Blackstone Group with primary responsibility for Blackstone's investments in the energy sector, said: "We are excited to have this opportunity to partner with Reservoir Capital and to back Bruce Wrobel and his management team in this investment. They have an outstanding track record of success in the power development business and we will augment their formidable capabilities with Blackstone's own experience in

the sector and capital resources in order to maximize the value potential of the business. Sithe Global Power's projects will provide necessary investment in energy infrastructure to locations in significant need of new electric generating capacity."

Sithe Management Team

CEO Bruce Wrobel has over 25 years of experience in the energy and industrial sector focusing on project development, finance, strategy and operations. As Executive Vice President of Sithe Energies, Inc., Mr. Wrobel was responsible for the world-wide project development and financing activities of the company and was responsible for the development and acquisition of over 50 generating projects. Highlights include the 1000 megawatt Independence Station in upstate New York, the 500 megawatt Rades II project in Tunisia and the \$1 billion San Roque Hydroelectric Project in the Phillipines. President Martin Rosenberg has over 17 years of experience covering all aspects of the development and financing of energy and infrastructure projects focusing on public and private debt financings, restructurings and acquisitions. As Senior Vice President of Sithe Energies, Inc., Mr. Rosenberg was directly responsible for transactions involving over 40 generating projects. Highlights include the \$1.6 billion acquisition of 20 generating facilities from General Public Utilities, and the subsequent \$2.1 billion sale of such facilities to Reliant Energy, and the \$1 billion sale of Sithe Energies Inc.'s New England generating assets to Exelon Corp. Executive Vice President Dirk Straussfeld has over 14 years of experience in the energy sector including both international and U.S. independent power project development representing in excess of \$2 billion of capital investment. Prior to joining Sithe Global Power, Mr. Straussfeld served as President of Steag Power, LLC in charge of the North and Central American independent power activities of Steag AG. Mr. Straussfeld also has extensive experience negotiating with foreign governments, multi-lateral lending institutions and export credit agencies, non-governmental organizations, Native American Indian Tribes as well as Federal, State and municipal agencies. Senior Vice President of Construction Frank Donohue has over 39 years of relevant engineering, construction and commissioning experience and has built over 20 electric generating facilities throughout the world. Senior Vice President James McGowan has over 25 years of experience in the energy sector including research and development, operations and maintenance and project development. As a developer, Mr. McGowan has been responsible for the development of over 5000 megawatts of generation worldwide.

About Blackstone:

The Blackstone Group, a private investment bank with offices in New York, London, Paris and Hamburg, was founded in 1985. Blackstone is an experienced and active investor in the energy sector, including investments in Premcor, Inc., one of the largest independent refiners of petroleum products in the U.S. prior to its acquisition by Valero (NYSE:VLO) earlier this year; Texas Genco, a Houston-based wholesale electric power generating company; Foundation Coal (NYSE: FCL), a U.S. coal mining company; and Kosmos Energy, an oil exploration company. The firm has raised a total of approximately [\$ 47] billion for alternative asset investing since its formation. Over [\$ 27] billion of that has been for private equity investing, including Blackstone Capital Partners [V] , an institutional private equity fund of \$13.5 billion. www.blackstone.com