



Constellation Energy's Projects & Services Group Announces Acquisition of Water & Energy Savings Corporation

BALTIMORE, Aug 07, 2008 /PRNewswire-FirstCall via COMTEX News Network/ -- Constellation Energy (NYSE: CEG) announced today that its subsidiary, Constellation Energy's Projects & Services Group (CEPS), has signed an agreement to acquire Water & Energy Savings Corporation (W&ESCO). W&ESCO will operate under the Constellation Energy brand from its base in St. Petersburg, Florida. W&ESCO provides a full range of performance-based water and energy solutions complementing Constellation Energy's Projects & Services Group's existing business lines which include energy consulting, energy services and energy assets.

"The acquisition of W&ESCO further positions Constellation Energy as a significant presence in the energy solutions marketplace," said Gregory Jarosinski, president of Constellation Energy's Projects & Services Group. "Customers now have access to an expanded suite of services that reduce energy and water costs and consumption and help them make their operations more sustainable."

W&ESCO has performed more than 60 public housing authority energy performance projects which will produce or have resulted in \$12 million in projected savings and \$110 million in capital improvements. The acquisition of W&ESCO will also expand Constellation Energy's Projects & Services Group's geographic reach, giving the company a greater presence in the Southeast and Florida.

"Joining with Constellation Energy will increase our capabilities to assist clients in reducing their water and energy consumption and costs. Opportunities for our employees should grow exponentially," said Gene Overmyer, president and chief executive officer of W&ESCO.

It is anticipated that W&ESCO's 38 employees, including its founders, will join Constellation. The founders will remain in management positions for Constellation Energy's Projects & Services Group.

The transaction is expected to close in September 2008, subject to standard closing conditions.

Water & Energy Savings Corporation (W&ESCO) was founded in 1992 when representatives of the Department of Housing and Urban Development (HUD) invited President Gene Overmyer to participate in the announcement of HUD's Energy Incentive Program. Since then, the company has grown from a small start up to a leading provider of community energy and engineering solutions. Water & Energy Savings Corporation has completed more than a quarter of HUD's Public Housing Energy Performance Contracts (EPCs). Water & Energy Savings Corporation's energy performance contracts have successfully met all guaranteed savings.

Constellation Energy's Projects and Services Group (<http://www.ceprojects.com>) is a full-service energy company, providing customized energy solutions to commercial, retail, institutional and government customers nationwide. The company's large array of products and services-including energy consulting, energy services and energy assets are all designed to increase energy efficiency, reliability, cost effectiveness and improve the customer's bottom line.

Constellation Energy (<http://www.constellation.com>), a FORTUNE 125 company with 2007 revenues of \$21 billion, is the nation's largest competitive supplier of electricity to large commercial and industrial customers and the nation's largest wholesale power seller. Constellation Energy also manages fuels and energy services on behalf of energy intensive industries and utilities. It owns a diversified fleet of 83 generating units located throughout the United States, totaling approximately 9,000 megawatts of generating capacity. The company delivers electricity and natural gas through the Baltimore Gas and Electric Company (BGE), its regulated utility in Central Maryland.

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