

## Cogentrix Finances Caledonia Generation Project; Construction to Begin Immediately on \$550 Million Mississippi Project

CHARLOTTE, N.C., July 27, 2001 -- Cogentrix Energy, Inc. has completed the financing for its Caledonia Generating, LLC electric generating facility, which will be located approximately 12 miles northeast of Columbus, Mississippi. The debt and equity financing provided by GE Capital Global Energy, allows construction of the 810 MW, natural gas fired, combined-cycle electric generating plant to begin immediately to meet a scheduled commercial operation of the facility of June 2003. The details of the financing were not disclosed.

National Energy Production Corporation (NEPCO), a subsidiary of the Enron Corporation, will serve as the engineering, procurement and construction (EPC) contractor for the project. Mobilization on the 118-acre site has begun. PG&E Energy Trading-Power, L.P. (PGET), a subsidiary of PG&E National Energy Group, Inc., previously entered into a long-term agreement with Caledonia Generating, LLC under which PGET will deliver natural gas to and accept the entire electrical output from the 810 MW facility.

PG&E National Energy Group is not the same company as Pacific Gas and Electric Company, the California utility, and is not regulated by the California Public Utilities Commission. Customers of Pacific Gas and Electric Company do not have to buy products or services from PG&E National Energy Group in order to continue to receive quality regulated services from Pacific Gas and Electric Company.

Cogentrix Energy, Inc., headquartered in Charlotte, NC, acquires, develops, owns and operates electric generation and other power assets in the United States and internationally. Cogentrix has, in whole or in part, equity interests in 28 facilities in 14 states with a total generating capability of approximately 7,800 megawatts. For more information on Cogentrix, visit the corporate website at [www.cogentrix.com](http://www.cogentrix.com).

CONTACT: media, Rachel Bagley of Cogentrix Energy, Inc. +1-704-525-3800, or e-mail, [RachelBagley@cogentrix.com](mailto:RachelBagley@cogentrix.com) 12:09 EDT