



PRESS RELEASE

FOR IMMEDIATE RELEASE

September 27, 2007

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BLUEWATER WIND JOINS WIND ENERGY LEADER BABCOCK & BROWN

Newark, DE --- Peter Mandelstam, President of Bluewater Wind, today announced that Bluewater has agreed to be acquired by Babcock & Brown, identified by the American Wind Energy Association as one of the "Top 5 Managing Owners of Wind Energy Installations." All of the Bluewater Wind staff, including Mandelstam, will be continuing with the company.

"Bluewater's new partnership with Babcock & Brown provides us with the commitment, strength, reliability and financial backing to successfully develop the Delaware Offshore Wind Park, helping to ensure it will provide stable-priced, affordable, and clean, renewable power to Delmarva Power's customers for many years to come," Mandelstam said. "The Bluewater team is delighted to join the Babcock & Brown family of companies. I am honored that Babcock & Brown, a true leader in wind energy, valued our business model so highly that it offered to acquire the company."

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Mandelstam noted that Bluewater Wind's transition to being a Babcock & Brown company will be seamless. "While the ownership will change, the people representing Bluewater will remain the same. Bluewater employees will continue to lead the development of the Delaware project. We value the relationships that we have formed with so many Delawareans and we plan to continue to work hard to maintain their support of clean offshore wind energy."

The acquisition by Babcock & Brown addresses the last major hurdle in the effort to finance and build what will likely be the first offshore wind park in the U.S., which is how the \$1.6 billion project would be funded. Mandelstam explained that Babcock & Brown's leadership and expertise in wind energy development, strong financial position, and ability to raise any additional funds that would be required, would help to ensure the Delaware Offshore Wind Park would be securely funded.

Babcock & Brown's onshore wind development experience, coupled with the exceptionally strong offshore wind development team that Bluewater has assembled, will result in a project that will meet the standards established by the Delaware Public Service Commission, the Comptroller General, the Office of Management and Budget, and the Delaware Department of Natural Resources and Environmental Control. "The Bluewater/B&B team will serve Delaware very well," Mandelstam added. "Our project will ensure that the State Legislature's commitment to fighting climate change and sea level rise by requiring utilities to buy Renewable Energy Credits (RECs) will be honored when the Bluewater Wind Offshore Wind Park begins operation and provides RECs to Delmarva Power and its customers."

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"There can be no better arrangement for Delaware than to have a principal investor in the wind park that is also responsible for operating the project," Mandelstam said.

"Delaware's interest is to ensure that the most efficient, well-maintained wind project possible is built. Bluewater will continue to strive for that standard, and now, Babcock & Brown will support that effort, too. Delaware will have an experienced, highly capable partner on its side to secure stable-priced, renewable energy for decades."

About Bluewater Wind

Bluewater Wind is leading the way in the Northeast, developing offshore wind energy projects that will bring the advantages of clean, stable-priced, renewable wind energy to tens of thousands of coastal residents. Bluewater Wind has offices in Delaware, Rhode Island, New York, and New Jersey.

For more information on Bluewater Wind, the proposed Delaware Offshore Wind Park, and the Babcock and Brown acquisition, please visit www.bluewaterwind.com.

About Babcock & Brown

Babcock & Brown is a global investment firm that manages assets in excess of \$50 billion with specific experience and capabilities in wind energy, notably between B&B and its family of funds we manage in excess of 1200 megawatts (MW) with our equity share in excess of 850 MW. This includes operations at 18 wind farms in eight states.

Babcock & Brown operates from 29 offices across Australia, North America, Europe, Asia and Africa and has in excess of 1250 employees worldwide. Babcock & Brown has four operating divisions including real estate, infrastructure and project finance, operating leasing, corporate and structured finance.

For further information about Babcock & Brown please see their website:

www.babcockbrown.com.

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