

September 9, 2013

The Carlyle Group to Acquire Six Power Plants in California, New Jersey

Carlyle's Power Management Team Has Now Led Acquisitions Totaling More Than \$1.2 Billion in Enterprise Value Since Late 2012

WASHINGTON--(BUSINESS WIRE)-- Global alternative asset manager [The Carlyle Group](#) (NASDAQ:CG), today announced it has agreed to acquire the Red Oak power generation facility in Sayreville, New Jersey, and has separately closed on the purchase of five power plants in California. The acquisitions, which were executed in conjunction with Carlyle's power affiliate Cogentrix, bring the total enterprise value of power asset transactions since Carlyle funds acquired Cogentrix in late 2012 to more than \$1.2 billion.

Robert Mancini, Carlyle Managing Director and Chairman of the Board of Cogentrix, said, "Since Carlyle funds acquired Cogentrix, our power team has committed approximately \$600 million of equity capital. The North American power generation sector is evolving, and we see significant opportunities, both in the form of acquisitions and development, to create value for our investors."

Red Oak, which is being acquired from Energy Capital Partners, is a highly efficient, 823-MW natural gas-fired combined-cycle power plant located in Sayreville, New Jersey. Red Oak currently operates under a long-term power purchase agreement and is part of the PJM Interconnection, the world's largest and most liquid competitive power market.

The five California power generation facilities, together accounting for 320 MW, include the 122-MW Midway natural gas-fired plant in Firebaugh, California, as well as the CalPeak portfolio of four natural gas-fired plants totaling 198 MW in Escondido, Firebaugh, San Diego and Vacaville, California. Carlyle is acquiring the Midway plant from an affiliate of Starwood Energy Group Global LLC (Starwood) and the CalPeak portfolio from the Blackstone Group L.P.'s GSO Capital Partners as well as affiliates of Starwood and Tyr Energy.

Equity capital for the transactions, terms of which were not disclosed, comes from Carlyle Power Opportunities Capital Partners L.P., a power managed account, and Carlyle Infrastructure Partners, L.P., a \$1.2 billion infrastructure fund. The Red Oak acquisition is subject to customary closing conditions.

Added Mr. Mancini, "Red Oak is an attractive investment because it benefits from stable cash flow generation and is strategically located in a market that should benefit from strong secular trends. The California plants are all highly responsive and flexible facilities that represent important resources for transmission grid support and providing reliable power during periods of peak demand within California."

Cogentrix, a portfolio company of Carlyle Power Opportunities Capital Partners and Carlyle Infrastructure Partners, is a developer, operator and manager of independent power plants in North America. Founded in 1983, Cogentrix has been directly responsible for the development, engineering, construction, operation and management of a portfolio totaling 40 fossil and renewable power facilities with a combined generating capability of around 8,000 megawatts.

About The Carlyle Group

The Carlyle Group (NASDAQ:CG) is a global alternative asset manager with \$180 billion of assets under management across 118 funds and 81 fund of funds vehicles as of June 30, 2013. Carlyle's purpose is to invest wisely and create value on behalf of its investors, many of whom are public pensions. Carlyle invests across four segments — Corporate Private Equity, Real Assets, Global Market Strategies and Global Solutions — in Africa, Asia, Australia, Europe, the Middle East, North America and South America. Carlyle has expertise in various industries, including: aerospace, defense & government services, consumer & retail, energy, financial services, healthcare, industrial, technology & business services, telecommunications & media and transportation. The Carlyle Group employs more than 1,400 people in 34 offices across six continents.

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The Carlyle Group
Liz Gill, +1-202-729-5385
Elizabeth.gill@carlyle.com

Source: The Carlyle Group

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