



Starwood and Tyr Announce Purchase of California Generating Assets

May 26, 2006 – Starwood Energy Group Global, LLC (“Starwood Energy” or “Starwood”) and Tyr Capital, LLC (“Tyr”) today announced the closing of their purchase of CalPeak Power, LLC (“CalPeak”) from United Technologies Corporation (NYSE: UTX). Starwood Energy and Tyr are providing approximately 80% and 20% of the equity capital respectively. CalPeak, headquartered in San Diego, California, is the owner of entities holding five natural gas-fired, simple-cycle generating stations, each with a capacity of approximately 50 megawatts. The purchase price was not disclosed.

“The CalPeak plants provide back up power to enhance reliability in the power constrained markets that they serve. In the process, these plants also support intermittent renewable power facilities that are becoming an important source of power supply in California. Starwood Energy is pleased to be part of this important transaction,” said Steve Zaminski, Senior Vice President of Starwood Energy. Brad Nordholm, CEO of Tyr, noted “CalPeak provides an excellent opportunity for Tyr to enter the California generation market. Quality peaking power assets and an outstanding staff combined to make this acquisition particularly appealing to Tyr.”

Three of the five projects are located in the service territory of San Diego Gas & Electric Company and two are located in the service territory of Pacific Gas and Electric Company. All of the projects sell capacity and energy to the California Department of Water Resources under long term power purchase agreements. No changes to CalPeak’s San Diego headquarters or its existing staff are planned. The projects will be managed by an affiliate of Tyr.

Project debt was provided by Sumitomo Mitsui Banking Corporation, and the entire loan was swapped into a fixed rate instrument by SMBC Capital Markets, the Capital Markets, subsidiary of Sumitomo Mitsui Financial Group, the parent of SMBC. Sumitomo Mitsui Banking Corp. (www.smbc.co.jp), headquartered in Tokyo, Japan, is the core commercial banking unit of Sumitomo Mitsui Financial Group (“SMFG”). SMFG is a global organization and one of the world’s largest banks in asset size which offers a broad range of financial services including commercial banking, interest rate swaps and currency derivatives, leasing, securities, credit card, investment banking, securitization, and venture capital.

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