

For Immediate Release

Constellation Energy
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Constellation Energy Begins Construction of Emissions Scrubber at Brandon Shores Power Plant

Company to invest nearly \$1 billion on clean air equipment for Maryland plants

BALTIMORE, June 20 -- Constellation Energy (NYSE:CEG) today announced that it has concluded a nearly three-year planning, engineering and permitting process and has begun construction of a state-of-the-art environmental control system at the company's Brandon Shores Power Plant in Anne Arundel County, Md.

"Constellation Energy has a long and demonstrated commitment to environmental stewardship," said Mayo A. Shattuck III, chairman, president and chief executive officer of Constellation Energy. "During the past decade, we've made significant environmental investments and enhancements at our generating facilities. The Brandon Shores scrubber project builds on that record and represents a major step forward. It illustrates our commitment to investing in the latest clean air and environmental technology as part of an ongoing, broad-based effort to make our generation facilities as environmentally friendly and sustainable as possible."

Constellation Energy is installing flue gas desulfurization (FGD) emissions controls (also called 'scrubbers'), which should reduce the plant's sulfur dioxide emissions by an estimated 95 percent. The new equipment is one component of a clean air program that will further strengthen Constellation's environmental stewardship efforts and allow the company's coal-fired power plants to achieve the emissions requirements of Maryland's Healthy Air Act.

Construction of the scrubbers is scheduled to take approximately three years and is expected to be completed by the first quarter of 2010. Total cost for the environmental upgrades being made across Constellation's fleet of coal-fired plants in Maryland is approximately \$1 billion.

One of the most stringent environmental mandates in the U.S., Maryland's Healthy Air Act was signed into law in April 2006. When compared to a baseline of 2002 emissions, the law requires coal-fired power plants in Maryland to apply emission caps in order to reduce nitrogen oxide emissions by about 70 and 75 percent by 2009 and 2012 respectively, reduce sulfur dioxide by about 80 to 85 percent by

2010 and 2013, respectively, and mercury emissions by 80 and 90 percent by 2010 and 2013, respectively. Constellation Energy's clean air program includes several additional environmental upgrades at the Brandon Shores plant, including the installation of a particulate control system and sorbent injection technology. Constellation Energy also previously installed a selective catalytic reduction system at Brandon Shores, which significantly lowers nitrogen oxide.

The scrubber installation and other environmental controls being installed at Brandon Shores will remove at least 95 percent of existing sulfur dioxide emissions and 90 percent of existing mercury emissions from the plant. Ultimately, when these environmental control upgrades are completed, Brandon Shores should be one of the cleanest coal-burning power plants of its size in the country.

Scrubbers work by spraying a mixture of limestone and water into gases created during the coal combustion process. As sulfur dioxide in the gases comes in contact with the mixture, it's absorbed and neutralized by the limestone. The Keystone Power Plant, located in Shelocta, Pa., which is co-owned by Constellation Energy, also announced earlier this year the approval of scrubber installations on the plant's two units at a cost of approximately \$600 million. Constellation has a 21 percent ownership interest in the Keystone plant. Construction began in fall 2006 and the scrubbers are scheduled to be in operation by 2009.

Constellation Energy (<http://www.constellation.com/>), a FORTUNE 200 company with 2006 revenues of \$19.3 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 more than 78 generating units located throughout the United States, totaling approximately 8,700 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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