



Press release

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WÄRTSILÄ TO DELIVER ENGINES AND EQUIPMENT FOR A 115,5 MW_E GAS POWER PLANT IN NORTHERN CALIFORNIA TO TIERRA ENERGY

Houston, Texas – Wärtsilä Corporation, a leading global provider of power plants, has been awarded an equipment supply contract by a subsidiary of Tierra Energy, an Austin, Texas-based independent power producer. The contract, valued at more than \$50 million USD, is for the supply of engines and equipment for Tierra Energy's 115,5 MW_e gas-fired power plant to be built in Northern California. The project is subject to certification by the California Energy Commission.

The power plant, called the "Eastshore Energy Center," will be located in Hayward, California and equipped with 14 Wärtsilä 20V34SG engines. The Eastshore Energy Center will supply power and ancillary services to Pacific Gas & Electric Company (PG&E) pursuant to a 20-year power purchase agreement executed between PG&E and Tierra Energy's subsidiary as a result of PG&E's 2004 solicitation for long-term power. The plant is expected to enter commercial operation in May 2009.

"We are honored to have the opportunity to work with Tierra Energy on the Eastshore Energy Center," Frank Donnelly, vice president of Power for Wärtsilä North America, said. "Wärtsilä looks forward to helping the State of California reach its long-term energy goals through this project, the second awarded contract for a Wärtsilä power plant as a result of PG&E's recent RFP".

"Tierra Energy selected Wärtsilä technology to maximize operational flexibility and efficiency of the Eastshore Energy Center," David Marks, president of Tierra Energy, said. "We are excited to bring the benefits of this technology to California."

