

Press Release

October 2, 2002

Skanska secures its seventh power plant contract in New York, valued at USD 150 million, SEK 1.4 billion

Skanska secures its seventh power plant project since 2000. The new contract is valued at approximately USD 150 million, approximately SEK 1.4 billion. The customer is Consolidated Edison Company of New York, Inc. (Con Edison). The contract has been included in the order bookings for the third quarter of 2002.

Skanska will perform the East River Repowering Project (ERRP) at Con Edison's East River Generating Station in New York City. Skanska USA Civil unit, Slattery Skanska, will perform the contract that involves the procurement of bulk materials and installation of equipment for the cogeneration plant. Slattery Skanska forces will perform civil, structural, mechanical and electrical work including the installation of major equipment, such as: two GE Frame 7FA gas turbines, and two Vogt-NEM, Inc. heat recovery steam generators, and 80,000 linear feet of process pipe. The project team will also manage the installation of all of the electrical and mechanical systems, including a U.S. Filter 9,000 GMP reverse osmosis system that will produce high-quality water for steam generation.

Preconstruction work has begun on the contract, which is scheduled for construction completion in May 2004. The most challenging aspect of the project is the logistical constraints posed by the equipment being placed inside an operating powerhouse. The largest pieces of equipment will be installed with a heavy lift crane over the FDR Drive, and through construction openings in the building's roof and sidewall.

The ERRP is designed to produce a maximum steam generation capacity totaling approximately 3 million lbs./hr. and a maximum electric generation capacity of 360 MW.

When this project is completed, Slattery Skanska will have constructed plants that generate an aggregate of 1,500 MW of capacity to New York's power supply. The total value of Skanska's power projects in the New York area since 2000 is USD 645 million, approximately SEK 6 billion.

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