



**Constellation
Energy**

News Release

**Media Line: 410 234-7433
www.constellation.com**

Constellation Generation Group
Constellation Power Source
Baltimore Gas and Electric Company
Constellation NewEnergy

Constellation Energy Source
BGE HOME
Fellon-McCord & Associates

Contact: Larry McDonnell

410-234-7433

410-230-9858

Constellation Energy Wins \$61 million Contract To Supply Electricity to Baltimore Schools, Government and Metropolitan Council

BALTIMORE – Dec. 3, 2004 - Constellation Energy (NYSE:CEG) today announced that its subsidiary, Constellation NewEnergy, has been awarded a \$61 million electricity purchase agreement covering a dozen area government and school systems, including Baltimore City and Baltimore County.

The 30-month agreement with the Baltimore Regional Cooperative Purchasing Committee (BRCPC), which totals 71 megawatts, also includes government operations and colleges in Anne Arundel, Harford and Howard counties, as well as public buildings in the City of Annapolis and Aberdeen, Md. Major facilities covered by the agreement include the Baltimore City Police Department, Anne Arundel Community College, Essex Community College, Dundalk Community College, Catonsville Community College and Howard Community College. The BRCPC is a standing committee of the Baltimore Metropolitan Council.

“As a Baltimore-based company, we’re proud to be selected as the electricity supplier for our region’s top government and community college systems,” said Clem Palevich, president, Constellation NewEnergy. “We understand the importance of these institutions and appreciate the trust they’ve placed in us to serve their electricity needs.”

“Cooperative purchasing stretches taxpayer dollars in two ways,” said Baltimore City Mayor Martin O’Malley, who chairs the Baltimore Metropolitan Council. “Local governments benefit from economy of scale by combining their procurement needs, and also save the costs that would be incurred in administering separate bids. This 30-month contract will save local government agencies nearly \$7.25 million on the cost of electricity alone, compared with standard offer service.”

“We’re very pleased we could deliver the products and services that were most important to the members participating in this agreement,” said Ken Chodnicki, vice president of Constellation

NewEnergy's Mid-Atlantic region. "We pride ourselves on providing the best billing and reporting capabilities in the industry and they are vitally important to government officials managing their energy usage."

Constellation NewEnergy (<http://www.newenergy.com>), a member of Constellation Energy (NYSE: CEG), is a leading competitive supplier of electricity, natural gas and energy related services to commercial and industrial customers throughout North America. Constellation NewEnergy operates in all competitive energy markets throughout the United States and Canada, providing products that enable customers to effectively manage and control energy costs. Constellation NewEnergy's regional expertise coupled with its national presence provides customers with customized energy products and services while leveraging the assets of one of the strongest integrated energy companies in North America. Constellation NewEnergy, based in Baltimore, serves more than 8,000 commercial and industrial customers throughout 31 states and 3 Canadian provinces representing more than 10,000 megawatts of peak load and more than 300 billion cubic feet of annual natural gas consumption.

Constellation Energy, a Fortune 500 company based in Baltimore, is the nation's leading competitive supplier of electricity to large commercial and industrial customers and one of the nation's largest wholesale power sellers. Constellation Energy also manages fuels and energy services on behalf of energy intensive industries and utilities. It owns or co-owns 107 generating units at 35 locations in 11 states. The company delivers electricity and natural gas through the Baltimore Gas and Electric Company (BGE), its regulated utility in Central Maryland. In 2003, the combined revenues of the integrated energy company totaled \$9.7 billion.

The Baltimore Metropolitan Council (www.baltometro.org) is an organization of the elected executives of Baltimore City and Anne Arundel, Baltimore, Carroll, Harford and Howard Counties who are committed to identifying regional interests and developing collaborative strategies, plans and programs which will improve the quality of life and economic vitality throughout the region.

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