



Laidlaw Engages The Babcock & Wilcox Company to Work on Boiler Conversion to Biomass Fuel for Berlin, NH Project

New York—(Business Wire)—July 17, 2007—Laidlaw Energy Group, Inc. (Ticker Symbol “LLEG”) announced today that its affiliate, Laidlaw Berlin, LLC, has entered into an exclusive arrangement with The Babcock & Wilcox Company to provide its services in connection with the conversion of a Babcock & Wilcox boiler located in Berlin, New Hampshire to biomass fuel. The boiler is located at the former Fraser Paper Mill which Laidlaw has proposed converting to a state-of-the-art 60 – 70 megawatt biomass-energy facility. The large Babcock & Wilcox recovery boiler was installed at the mill in 1993 at a cost of nearly \$100 million and is believed to be highly suitable to conversion for biomass-energy purposes. Babcock & Wilcox has successfully completed several conversions of similar boilers to biomass fuel in recent the past.

The first stage of the engagement will be for Babcock & Wilcox to conduct a thorough engineering review in order to confirm the capabilities of the boiler and define the work that will be needed to complete the conversion. Once this is completed the parties expect to enter into a definitive agreement pursuant to which Babcock & Wilcox will perform such work.

Commenting on the engagement of Babcock & Wilcox, Laidlaw Energy President & CEO Michael B. Bartoszek stated “We are happy to have B&W on board for this exciting project. We had discussions with several different boiler companies about this engagement, but at the end of the day we felt most comfortable with B&W’s overall capabilities, including their financial resources, prior successful track record with this type of project and the fact that they are the original manufacturer of this boiler and highly familiar with it.”

The Berlin biomass-energy facility currently expected to commence operations in late 2008 or early 2009.

About Laidlaw Energy Group

Laidlaw Energy Group (LLEG) is engaged in the development of independent power plants that generate electricity from renewable resources. LLEG's mission is to build and manage a profitable portfolio of renewable energy facilities through the development of new facilities and acquisition of existing facilities. LLEG is headquartered in New York,

New York. For more information on LLEG, please visit our website at www.NYENRG.com.

About The Babcock & Wilcox Company

The Babcock & Wilcox Company is a 140 year old company that is engaged in supplying innovative solutions to meet the world's growing energy needs. With power generation systems and equipment found in more than 800 utilities and industries in over 90 countries. The Babcock & Wilcox Company is an operating unit of [McDermott International](http://www.McDermottInternational.com) (NYSE: MDR). For further information see www.Babcock.com.

This communication contains statements expressing expectations of future events and/or results which may include, without limitation, statements concerning anticipated financial performance, business prospects, technological developments, potential markets, new products, research and development activities and similar matters. Such statements constitute forward-looking statements made pursuant to the Safe Harbor provision of the Private Securities Litigation Reform Act of 1995. All statements based on future expectations rather than historical facts are forward-looking statements that involve a number of risks and uncertainties, and LLEG cannot provide assurance that such statements will prove to be correct. LLEG undertakes no obligation to update or revise any forward-looking statement, whether as a result of new information, future events or otherwise.

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