

Luz II and Dalkia jointly participate in the BOT tender for the construction of solar thermal plants in Ashalim, Israel

(Jerusalem, Israel) September 7, 2008 – Luz II Ltd., a subsidiary of BrightSource Energy, and Dalkia, the energy division of Veolia group in Israel, have joined forces for the purpose of participating in the BOT (Build, Operate and Transfer) tender for the construction of solar thermal plants in Ashalim, Israel. The companies have jointly submitted the required documentation package as part of the first, pre-qualification, stage of the tender.

The Israeli government initiated the BOT tender process in March 2008 for two solar thermal plants with a capacity of 80MW to 125 MW each. Luz II and Dalkia intend to form a consortium in which both companies will be partners, and presented their joint pre-qualification submission to the tender committee on September 2, 2008. If successful in the tender, the companies intend to implement Luz II power tower technology, which would yield more electricity at a lower cost than parabolic trough technology.

Jerusalem-based Luz II and its parent company, BSE, develop solar plants utilizing solar thermal power tower technology developed by Luz II. In power tower systems, thousands of computer-controlled mirrors track the sun and reflect its rays onto the exterior of a utility steam boiler sited atop a central tower. Steam from the solar boiler runs a turbine to generate electricity. One of the key advantages of the Luz II power tower technology is that the steam is superheated to higher temperatures, which allows the turbine generator to produce electricity with greater efficiency.

Luz II recently started operating a power tower facility with a gross thermal capacity of 6MW at Rotem Industrial Park in Dimona, Israel, in June 2008

Dalkia is the leading European energy supplier to regional councils, public institutions, businesses and industrial factories. Dalkia is active in Israel in several fields, including energy management and cogeneration, and is successfully implementing innovative energy concepts.