

BABCOCK & BROWN WIND PARTNERS

Babcock & Brown Wind Partners Limited · ABN 39 105 051 616
Babcock & Brown Wind Partners Trust · ARSN 116 244 118
Babcock & Brown Wind Partners (Bermuda) Limited · ARBN 116 360 715
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ASX Release

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BBW PREFERRED TENDERER FOR SYDNEY WATER DESALINATION PLANT

Babcock & Brown Wind Partners (ASX: BBW) advises that it has been selected as the preferred tenderer to meet the renewable energy requirements of Sydney Water's desalination plant.

BBW proposes to provide output from the Capital wind farm to deliver these requirements. The Capital wind farm is located near Bungendore in New South Wales, Australia, and is currently under construction. The wind farm is expected to be operational by mid-2009 and is expected to have an installed capacity of 132.3MW, and an expected long term mean energy production of over 400GWh per annum.

Negotiations between Sydney Water and BBW are currently proceeding, with contracts expected to be signed shortly.

It is proposed that Sydney Water will enter into a 20 year renewable energy supply agreement which includes a CPI escalation clause over the term of the agreement.

Miles George, Chief Executive Officer said "We are very pleased to be the preferred tenderer for the supply of renewable energy requirements of Sydney Water's desalination plant. This not only provides BBW with an attractive contract but also reinforces BBW's position as Australia's leading wind farm owner and operator."

When operating at full capacity, the desalination plant is expected to provide 250 million litres of water a day or approximately 15 per cent of Sydney's daily drinking water needs.

ENDS

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About Babcock & Brown Wind Partners

Babcock & Brown Wind Partners (ASX: BBW) is a global wind energy business which owns and operates a portfolio of wind farms spanning six countries and three continents. BBW listed on the Australian Securities Exchange on 28 October 2005 and has a market capitalisation of approximately A\$1.4 billion.

BBW is a stapled entity comprising Babcock & Brown Wind Partners Limited (ABN 39 105 051 616), Babcock & Brown Wind Partners Trust (ARSN 116 244 118) and Babcock & Brown Wind Partners (Bermuda) Limited (ARBN 116 360 715).

BBW's portfolio comprises interests in 79 wind farms that have a total installed capacity of approximately 3,187MW and are diversified by wind resource, currency, equipment supplier, off-take arrangements and regulatory regime.

BBW is managed by Babcock & Brown Wind Partners Management Pty Ltd, a subsidiary of Babcock & Brown Limited (ASX: BNB), a global investment and advisory firm with longstanding capabilities in structured finance and the creation, syndication and management of asset and cash flow-based investments. Babcock & Brown has a long history of experience in the renewable energy field and has been a longstanding participant in the wind energy sector with 20 years experience. Babcock & Brown's roles have included acting as an adviser/arranger of limited recourse project financing, arranging equity placements, lease adviser, project developer, principal equity investor and fund manager for wind energy projects situated in Europe, North America and Australia. Babcock & Brown has developed specialist local expertise and experience in the wind energy sector in each of these regions which it brings to its roles as manager and financial advisor for BBW.

BBW's investment strategy is to grow Securityholder wealth through efficient management of its portfolio of wind energy generation assets.

For further information please visit our website : www.bbwindpartners.com