

ABB wins \$100 million contract with TVA

Biggest U.S. utility signs five-year agreement for transformers, services

Zurich, Switzerland, May 22, 2006 – ABB, the leading power and automation technology group, said today it has signed a five-year accord worth more than \$100 million to provide the Tennessee Valley Authority (TVA) with transformers and services.

ABB will supply the TVA, which is the largest power utility in the U.S. by revenue, with all transformers rated 230 kilovolts (kV) and below. The TVA also has an option to renew the contract for an additional five years.

“This contract is really an extension of the excellent relationship we’ve had with TVA over the years,” said Bernhard Jucker, head of ABB’s Power Products division. “We’re as familiar with their procedures and internal processes as we are with the equipment in their system.”

ABB’s long history with the TVA dates back to the utility’s founding. ABB owns the technical drawings to 75 percent of the equipment in the TVA high-voltage system, and even operates a service center in Nashville that deals almost exclusively with TVA equipment.

ABB has won orders worth more than \$50 million annually from the TVA in the past seven years, including a similar contract signed in 1999 and a five-year accord reached in 2002 that covers extra-high-voltage transformers up to 735kV.

The latest agreement gives TVA reserved production slots at several ABB transformer factories around the world, assuring consistent quality and the fastest delivery time in the industry. It also includes outfitting some new and existing TVA transformers with ABB’s TEC (transformer electronic control) monitoring system to support asset management and life extension efforts.

Service is also a key component of this agreement. ABB’s Nashville service center provides TVA with immediate access to experts on everything from transformers to high voltage circuit breakers, medium and low-voltage switchgear, and distribution protection and control systems.

ABB (www.abb.com) is a leader in power and automation technologies that enable utility and industry customers to improve performance while lowering environmental impact. The ABB Group of companies operates in around 100 countries and employs about 105,000 people.

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