

## **EM Kancelaria**

Wrocław, 28.12.2007

Current report 29/2007

Subject: Termination of an important agreement.

In relation to the current report No. 24/2007 of November 16, 2007, and on the basis of information received today from a subsidiary company, EC Zielona Góra, the Board of KOGENERACJA S.A. advises about the termination of a long-term agreement on the sales of electric power.

This terminating agreement has been entered into between Elektrociepłownia Zielona Góra S.A. and PGE Polska Grupa Energetyczna S.A. (former PSE S.A.) on December 28, 2007. Under this agreement terminated was the agreement on the sales of electric power of January 26, 2001 (KDT). The termination of the KDT will take place on April 1, 2008.

A basis for termination of this agreement is the Act of June 29, 2007 on principles of the covering of the costs that arose in the producers in relation to an earlier termination of their long-term agreements on the sales of electric power (Dz. U. No. 130, Item 905). The said termination of the agreement took place in accordance with the rules under this Act; especially EC Zielona Góra agrees to receive the funds to cover the stranded costs and costs mentioned in Art. 44 of this Act.

In accordance with the estimates of the subsidiary company and the issuer of securities, the financial situation of the subsidiary company, the issuer and other associated entities will not deteriorate.