



**UPDATE: FORTIS BUYS WIND ENERGY HEDGE WORTH UP TO \$80 MLN.**

*CnnMoney.com*

NEW YORK (Dow Jones) -- European financial giant Fortis on Monday inked a power-purchase agreement with Enel North America Inc. to buy 1.1 million megawatt hours of power for the next 10 years as a hedge against the price of electricity from natural gas.

Enel (EN) , an Italy-based utility with wind farms in the U.S., will provide the current from the Snyder Wind Farm, a 63-megawatt project made up of a series of 21 Vestas V90 turbines in operation in Texas.

The deal comes as Texas has emerged as the No. 1 wind-energy state in the U.S., recently surpassing California. Based on an industry estimate of \$50 to \$80 per megawatt hour, the transaction carries a price of up to \$80 million, marking the latest in a big boom in wind projects around the country.

The companies didn't disclose the price of the deal.

"Wind energy is a rapidly growing generation resource for the U.S. and we'll continue to pursue hedging transactions not only in renewable power, but in conventional power as well," said David Duran, managing director at Fortis Merchant & Private Banking, a unit of the Brussels-based financial conglomerate.

Fortis will market the wind-power hedge to financial players, hedge funds, power companies and other energy-investment market participants.

Fortis said the Snyder Wind Farm deal marks its second large transaction with the Electric Reliability Council of Texas, which handles the deregulated power industry for 75% of the state.

The American Wind Energy Association estimates the installation of 3,000 megawatt hours in the turbine business in 2007, up about 25% this year.

Enel's Snyder Wind Farm is the renewable utility's largest wind farm, but it's expecting to wrap up construction on a bigger one this year, a 101-megawatt wind farm in Kansas. Some 31 billion kilowatt hours will be generated by wind power in the U.S., enough electricity to power 3 million homes, according to the American Wind Energy Association.

Enel North America is dedicated to the generation of electricity from renewable energy resources and currently operates more than 400 megawatts of wind, hydropower, geothermal and biomass projects .

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