

GE's Technology and Services

Analyst Meeting

May 4, 2006



imagination at work

GE
Energy

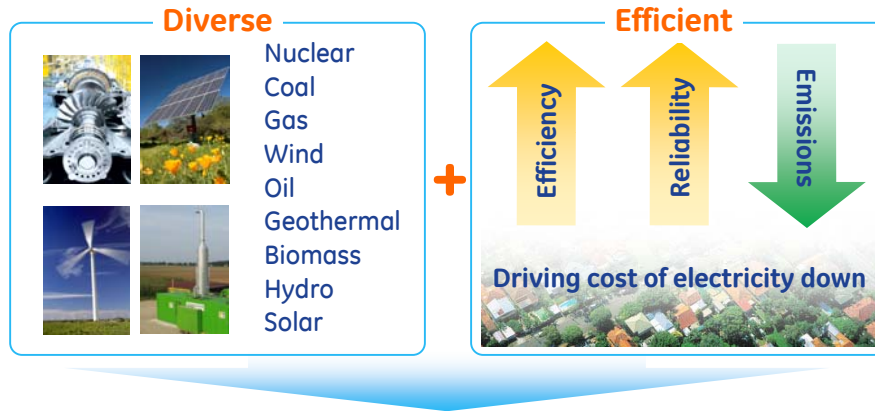
Power for the Next Century

Rick Stanley
Vice President and General Manager,
Engineering



imagination at work

Energy technology strategy



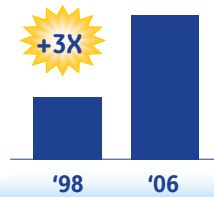
Affordable, reliable & environmentally responsible

Solutions across the portfolio ...

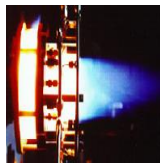
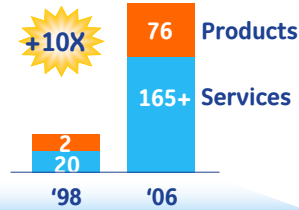


... With increased technology investment

New Product Investment



New Product Launches



Combustion



Aerodynamics



Materials



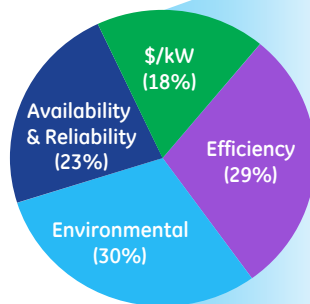
Controls



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Maximizing performance and affordability

Total Technology Spend 2006-2008



\$3B Total

Cleaner

- Trapped Vortex Combustion
- IGCC ... cleaner coal
- Advanced closed-loop controls

More Efficient

- H System ... 60%+ efficiency
- 3D aero ... building upon aviation
- High temperature materials ... Liquid Metal Casting
- 450MW hydrogen-cooled generator ... world's largest

More Flexible

- Multiple fuels ... ion sensors
- Advanced premixing ... volatiles
- Increased part power stability



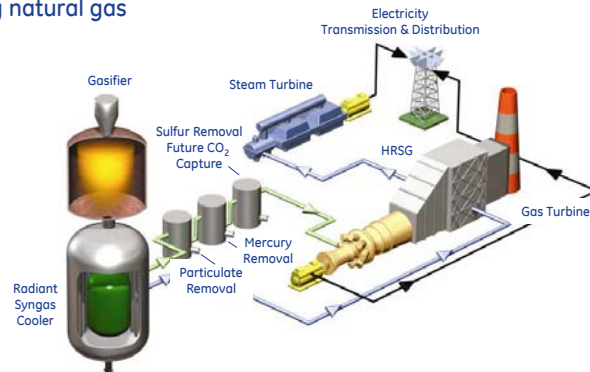
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Leading technology in cleaner coal ... IGCC

Focused on energy security, CAPEX and emissions

- Converts coal to synthesis gas ... cleaned prior to burning
- Produces useful byproducts
- Driving down cost and emissions
 - CAPEX approaching pulverized coal (pc)
 - Emissions approaching natural gas

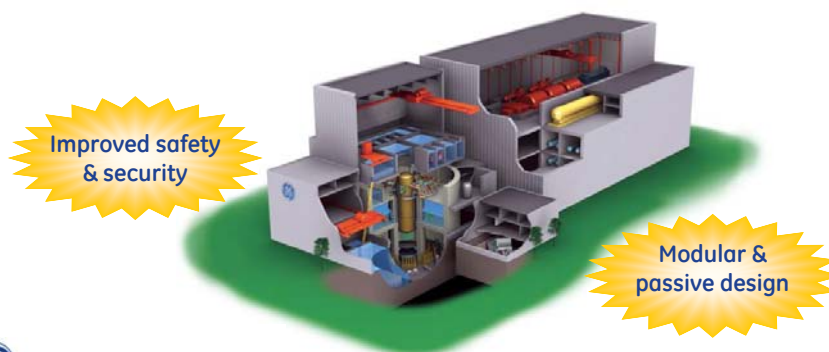
GE Content		
IGCC	vs.	PC
40%		5%



Leading technology in nuclear ... ESBWR

Simplified design, increased output, smaller footprint

- Reduced CAPEX and OPEX, shorter construction schedule
- Part of US DOE 2010 Program, design certification submitted to NRC, selected by NuStart, Entergy & Dominion
- On plan for 2007 Combined Operation License applications



Leading technology in gas ... LMS100®

World's most efficient simple cycle gas turbine

GE's unique advantage ... turbine core from Aviation technologies
Booster and Power Turbine from Energy
Highest simple cycle efficiency ... 46%
10 minute start to 100 MW

Today

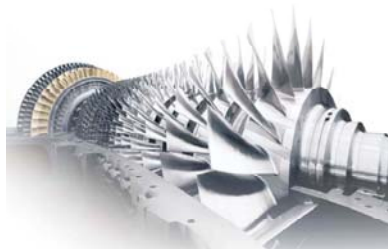
Load test complete ... >104 MW to date
6 units on order + 14 commitments received through '08
First unit in commercial operation, '06 ... Basin Electric



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Leading technology in gas ... H System™

World's most advanced combined cycle technology



Execution

Baglan Bay, UK

- Only OEM demonstrating rotational steam cooling
- 480MW, 13ppm NOx
- 14,000+ fired hours, 6.2M+ MWhrs

TEPCO, Tokyo Japan

- 3x109H – 1520MW ... ship 2006-2008

Inland Empire, CA

- 2 unit 7H launch ... commercial 2008

The Future

- Performance growth platform
- Maintains technology leadership



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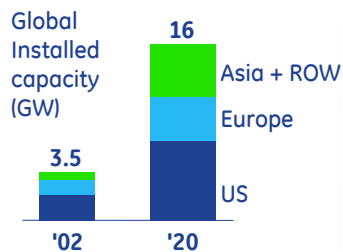
Leading technology in renewables ... Biomass

Converting waste into energy

Efficiency, Reliability & Fuel Flexibility

- 1.2GW total GE installed base ... biomass
- 1,450 units for use of biogas, landfill gas, and sewage gas
- 480+ engines shipping in 2006 ... up 54%
- Patented combustion technology ... CO₂ neutral

Bio Power Growth



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Leading technology in renewables ... Wind

Cleaner energy solution, low-cost energy source



1.5 MW Platform

- Among the most proven and utilized technology
- Over 4,100 units worldwide
- 97%+ availability



Multi-Megawatt

- Full power conversion
- Simplified servicing
- Larger farms with easier grid integration

Future: 3 MW

- Permanent magnet generator
- Advanced controls



3.6 MW Offshore

- Arklow demonstration project ... 7 x 3.6s
- Largest commercial operation

Future: 5 - 7 MW

- Leading cost of energy
- Utilizing GE technology strengths



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... With more technology on the way

Advanced Blades ... Global Research Center (GRC)

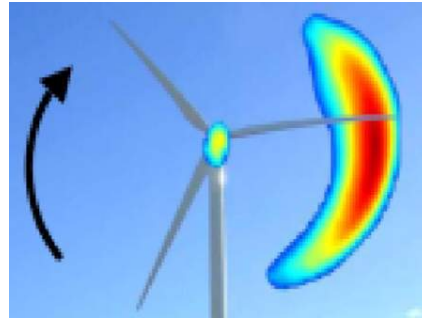
- Designed to shed load
- High lift, low profile airfoils ... lower weight
- Next generation aero ... increased energy capture

Advanced Drive Trains ... Rail

- Improved reliability
- Greater efficiency

Advanced Controls ... GRC

- Fatigue reduction, brake/fault load reduction
- Improved damping system



Wind Blade
Aero-acoustic Analysis



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Advanced technologies ... for tomorrow

Continuing to deliver cleaner, more affordable solutions

Fuel Cells

- Compact, dispersed power
- Fuel cell & gas turbine hybrid
- 5 to 10 MW ... 65% efficiency

Solar

- Integrated systems
- Nano materials to reduce costs, improve raw material supply

Low Emission Combustion

- Dynamic (smart) controls
- Trapped Vortex Combustion

Materials

- Ceramic composites gas path
- Low cost superalloys
- Superhydrophobic coatings



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Infrastructure technology teams

Finding synergies ... sharing best practices

Product Development

Probabilistic lifing, aerodynamics, productivity

Engineering Tools

Analysis software, digitization, license fees

Test & Instrumentation

Advanced sensors, common facilities & methods

Controls & Combustion

Global design centers, emissions programs

Materials

Global labs, standard specifications

Expanding capabilities for all



Contributing to \$350MM savings



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Our playbook is simple ...

Using technology to create a winning portfolio

Competitive edge in key technologies

- ✓ Materials
- ✓ Combustion
- ✓ Aerodynamics
- ✓ Heat transfer

Passionate drive for improved performance

- ✓ Efficiency
- ✓ Emissions
- ✓ Reliability

Broad portfolio

- ✓ Gas, Coal, Nuclear, Wind, Hydro, Solar, Biomass, Services



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