

Laidlaw Energy Announces New Combined Biomass and Solar Power Project

NEW YORK—(Business Wire)—October 19, 2009—Laidlaw Biopower, LLC (“Laidlaw”), an affiliate of Laidlaw Energy Group, Inc. (Ticker “LLEG”), announced today that it has executed a Memorandum of Understanding with an affiliate of a Massachusetts based private equity firm to initially lease and subsequently acquire an operating oil and gas fired power plant in Southeastern Massachusetts. The plant is situated in an industrial park and currently serves the thermal energy needs of a leading developer and manufacturer of photovoltaic products and technology. Laidlaw plans to convert the plant to biomass power to serve the electric and thermal needs of the photovoltaic company, with the balance of the plant’s electricity to be exported to the grid and sold to a local utility pursuant to a long-term contract.

Laidlaw has concurrently executed a letter of intent with the photovoltaic company which specifies the business terms of a contemplated 20 year power purchase agreement that the parties intend to negotiate. Laidlaw intends to make additional details available on the project upon execution of the power purchase and lease agreements.

Laidlaw expects to execute a lease and assume control of the power plant within the next 120 days. The lease will allow Laidlaw to acquire the plant upon receipt of the necessary permits and approvals to operate it as a biomass plant. Upon execution of the contemplated lease, the power plant will continue to be operated for Laidlaw by Veolia Energy (<http://www.veoliaenergyna.com/en/>) pursuant to an existing O&M Agreement.

An additional and unique element of the project is Laidlaw’s intent to combine solar power with its intended biomass project. Laidlaw intends to install solar panels representing approximately 1.5 megawatts of capacity on the roofs of two of the buildings at the manufacturing facility. The power generated by the solar panels is planned to be used on site, with any excess sold to the grid.

Commenting on the project, Laidlaw President & CEO Michael B. Bartoszek stated “This project is a win-win. Not only does it offer significant environmental benefits by converting a fossil fuel plant to a renewable fuel, it also helps support a leading cleantech company make innovative products to further support the shift to alternative energy.”

The project is expected to developed as part of the joint venture established between Laidlaw and Homeland Renewable Energy (www.homelandrenewableenergy.com), known as Homeland Laidlaw Energy, LLC. (“HLE”), subject to approval of HLE’s Board of Directors.

About Laidlaw Energy Group

Laidlaw Energy is engaged in the development of independent power plants that generate electricity from renewable resources, with a particular emphasis on biomass power. Laidlaw Energy’s mission is to build and manage a profitable portfolio of biomass facilities through the development of new facilities and acquisition of existing facilities, and in so doing become the leading supplier of biomass power in the United States. Laidlaw Energy is headquartered in

New York, New York. For more information, please visit our website at www.LaidlawEnergy.com.

This communication contains statements expressing expectations of future events and/or results which may include, without limitation, statements concerning anticipated financial performance, business prospects, technological developments, potential markets, new products, research and development activities and similar matters. Such statements constitute forward-looking statements made pursuant to the Safe Harbor provision of the Private Securities Litigation Reform Act of 1995. All statements based on future expectations rather than historical facts are forward-looking statements that involve a number of risks and uncertainties, and Laidlaw cannot provide assurance that such statements will prove to be correct. Laidlaw undertakes no obligation to update or revise any forward-looking statement, whether as a result of new information, future events or otherwise.

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