



GE Introduces Next-Generation Transformer, Provides Customers Safer, More Environmentally Friendly Transformer for Urban Applications

- *New Prolec-GE Power Transformer Reduces Fire Related Impacts at Urban Electrical Substations*
- *Synthetic Ester Replaces Traditional Oil, Reducing Potential Fire Risk and Contamination Concerns*
- *Prolec-GE Demonstrates Product Development Capability, Collaborates with Comision Federal de Electricidad on Technological Breakthrough for Power Transformers*

MONTERREY, MEXICO—July 9, 2015—Helping to improve safety at urban substations, Prolec-GE (NYSE: GE) has announced that it has developed a new power transformer that utilizes a synthetic ester liquid instead of traditional mineral oil. Transformers represent the most significant fire safety challenge in electrical substations. By using a less-flammable synthetic ester liquid as a coolant and dielectric insulator instead of traditional oil, the risks associated with a potential transformer fire are significantly reduced. The synthetic ester has a high flash point, which makes it virtually impossible to sustain a fire once the transformer protections interrupt the electrical arc in the event of a fire. In addition, the potential for soil contamination from tank rupture is reduced since the ester is biodegradable. Designed in collaboration with Comision Federal de Electricidad (CFE), Mexico's national utility company, the new power transformers will be implemented by CFE to help modernize electrical substations across Mexico City and its metropolitan area.

"Fires in transformers can be highly dangerous and devastating to areas in close proximity to the substation. When a transformer fire occurs in indoor substations or densely populated areas, the impact can be amplified exponentially," said Federico Ibarra, technical manager, CFE. "Safety is of the utmost importance to us at CFE. Our decision to implement Prolec-GE's new transformers was made with this in mind. Not only will the units reduce the risk of significant fires at our electrical substations, they also will reduce our potential environmental impact and help to modernize our electrical infrastructure."

Prolec-GE's project with CFE includes the installation of more than 50 power transformers and will be rolled out in a series of five stages. In the current stage, Prolec-GE is providing:

- Four 36/48/60-megavolt ampere (MVA), 230/23/15-kilovolt, high-voltage on-load tap-changer (OLTC) power transformers.
- Four 18/24/30-MVA, 85/23-kilovolt, low-voltage OLTC power transformers.
- Three 18/24/30-MVA, 115/85/23-kilovolt, low-voltage OLTC transformers.

"This new, innovative solution is without a doubt the result of successful collaborative work between CFE and Prolec-GE," said Pedro Puente, vice president of Prolec-GE's Power Transformers business. "The new transformers were designed and developed by a team of engineers at our Advanced Technology Center where we continuously work to develop new solutions to meet and exceed the present and future industry needs."

The new Prolec-GE power transformers are designed to operate both indoors and outdoors, and will be installed by CFE in the densely populated centers of Mexico City. This urban setting created challenges beyond environmental compatibility, size and weight restrictions. The area's high population required safety to take center stage, specifically the need to minimize potential fire and explosion risk. With Prolec-GE's synthetic ester-filled transformers, CFE is able to meet its power needs and reduce the potential transformer fire risk to those close to the substation without experiencing a drop in transformer life expectancy.

CFE serves a population of over 20 million in Mexico City alone. It has been a strategic customer for Prolec-GE for more than 40 years. As a leader in transformer technology throughout Mexico, Prolec-GE has supplied different types of equipment in the region such as generator step-ups, autotransformers, substation transformers, shunt reactors and distribution transformers. Installation of these latest transformers is underway and units are expected to be energized by the end of 2015.

GE's Digital Energy business is a global leader in transmission and distribution solutions that manage and move power from the power plant to the consumer. Its products and services increase the reliability of electrical power networks and critical equipment for utility, industrial and large commercial customers. From protecting and optimizing assets such as generators, transmission lines and motors, to delivering analytic tools to help manage the power grid, GE's Digital Energy business delivers industry-leading technologies to solve the unique challenges of each customer. For more information, visit <http://www.gedigitalenergy.com/>.

About Prolec-GE

Prolec-GE is a joint venture between the GE and Xignux, S.A. de C.V. It is one of the largest transformer manufacturers in the Americas, offering a full line of transformer products for the generation, transmission and distribution of electric power. Prolec-GE has more than 40 years of experience in the industry, with products installed in more than 35 countries around the world. For more information, please visit www.Prolecge.com.

About GE

GE (NYSE: GE) imagines things others don't, builds things others can't and delivers outcomes that make the world work better. GE brings together the physical and digital worlds in ways no other company can. In its labs and factories and on the ground with customers, GE is inventing the next industrial era to move, power, build and cure the world. www.ge.com

Follow GE's Digital Energy business on Twitter [@GEModernGrid](https://twitter.com/GEModernGrid), [LinkedIn](https://www.linkedin.com/company/ge-digital-energy) and on [YouTube](https://www.youtube.com/user/GE).

###

For more information, contact:

Patric Rayburn
GE
Digital Energy
+1 678 844 3174
patric.rayburn@ge.com

Matt Falso or Howard Masto
Masto Public Relations
+1 518 786 6488
matt.falso@mastopr.com
howard.masto@mastopr.com