



PRESS RELEASE

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FOR IMMEDIATE RELEASE
December 20, 2006

Covanta Leads Efforts to Fight Climate Change

Renewable energy giant joins California Climate Action Registry

LOS ANGELES, California – Covanta Holding Corporation, a leader in generating clean, renewable energy from waste, has joined the California Climate Action Registry (Registry), a distinguished group of organizations demonstrating leadership by voluntarily taking action on climate change. As a member, Covanta will work with the Registry to annually track, report and certify its greenhouse gas emissions, the main drivers of global warming.

Covanta is a world leader in the development and operation of large scale energy-from-waste power projects. Among its diverse portfolio of renewable power plants are 31 facilities that are able to generate clean and renewable energy from 15 million tons of municipal solid waste each year for communities it serves throughout the United States. These facilities generate over 5% of the nation's non-hydro renewable energy, which is enough to power for all the homes in a city as large as Philadelphia.

The Registry, created by the California legislature in 2000, is a non-profit public/private partnership that helps companies and organizations throughout the United States to track, publicly report and reduce their greenhouse gas emissions. The results are certified by independent third-parties to ensure compliance with Registry protocols and standardization across participants and sectors. The Registry has been widely recognized as a gold standard for public reporting of greenhouse gases.

"Climate change is one of the biggest challenges our society faces and Covanta is proud to be part of the solution" said Anthony J. Orlando, Covanta's Chief Executive Officer. "Generating clean energy from waste significantly reduces greenhouse gases by preventing methane production from waste [landfills] and reducing the use of fossil fuel to generate the electricity our nation needs. We joined the Registry, because we feel it is important to understand the sources of greenhouse gas emissions so we can then find sustainable solutions that create meaningful reductions in these emissions. The registry is a critical first step in that process."

"Covanta has an impressive history of leadership in clean and sustainable energy. I am very pleased they are participating in the Registry's rigorous program to measure, monitor and publicly report their greenhouse gas emissions," said Diane Wittenberg, President of the California Climate Action Registry.

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The California Climate Action Registry is a non-profit public/private partnership that serves as a voluntary greenhouse gas (GHG) registry to protect, encourage, and promote early actions to reduce GHG emissions. Over 130 major companies, cities, government agencies and NGOs measure and publicly report their GHG emissions through the Registry. www.climateregistry.org

Covanta is a world premier owner and operator of modern energy-from-waste facilities. Covanta plants convert municipal solid waste into renewable energy for numerous communities predominantly in the United States. The company also operates related infrastructure such as transfer stations and biomass facilities,.

CAUTIONARY NOTE REGARDING FORWARD LOOKING STATEMENTS

Certain statements in this press release may constitute "forward-looking" statements as defined in Section 27A of the Securities Act of 1933 (the "Securities Act"), Section 21E of the Securities Exchange Act of 1934 (the "Exchange Act"), the Private Securities Litigation Reform Act of 1995 (the "PSLRA") or in releases made by the Securities and Exchange Commission, all as may be amended from time to time. Such forward looking statements involve known and unknown risks, uncertainties and other important factors that could cause the actual results, performance or achievements of Covanta and its subsidiaries, or industry results, to differ materially from any future results, performance or achievements expressed or implied by such forward-looking statements. Statements that are not historical fact are forward-looking statements. Forward looking statements can be identified by, among other things, the use of forward-looking language, such as the words "plan", "believe", "expect", "anticipate", "intend", "estimate", "project", "may", "will", "would", "could", "should", "seeks", or "scheduled to", "proposed", or other similar words, or the negative of these terms or other variations of these terms or comparable language, or by discussion of strategy or intentions. These cautionary statements are being made pursuant to the Securities Act, the Exchange Act and the PSLRA with the intention of obtaining the benefits of the "safe harbor" provisions of such laws. Covanta cautions investors that any forward-looking statements made by Covanta are not guarantees or indicative of future performance. Important assumptions and other important factors that could cause actual results to differ materially from those forward-looking statements with respect to Covanta, include, but are not limited to, those factors, risks and uncertainties that are described in Item 1 of its Annual Report on Form 10-K for the year ended December 31, 2004, as amended, and in other securities filings by Covanta or its subsidiaries.

Although Covanta believes that its plans, intentions and expectations reflected in or suggested by such forward-looking statements are reasonable, actual results could differ materially from a projection or assumption in any forward-looking statements. Covanta's future financial condition and results of operations, as well as any forward-looking statements, are subject to change and inherent risks and uncertainties. The forward-looking statements contained in this press release are made only as of the date hereof and Covanta does not have or undertake any obligation to update or revise any forward-looking statements whether as a result of new information, subsequent events or otherwise, unless otherwise required by law.

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