

Beacon Power LLC Begins Commercial Operation at Flywheel Energy Storage Plant in Pennsylvania

First 4 MW Providing Frequency Regulation Services in PJM Interconnection

Tyngsboro, MA – September 18, 2013 – <u>Beacon Power, LLC</u>, the world's leading manufacturer of grid-scale <u>flywheel energy storage systems</u>, has begun commercial operation of its latest flywheel energy storage facility, located in Hazle Township, Pennsylvania. The first 4 MW of energy storage capacity began providing frequency regulation services in the PJM Interconnection market on September 11, 2013. The balance of the 20 MW plant will be progressively commissioned until full capacity is reached in the second quarter of 2014.

Barry Brits, Beacon's president and CEO, said, "The start of commercial operation at our Hazle facility is another major milestone for Beacon Power. We have an outstanding project team that has once again demonstrated its ability to deliver on time and within budget. This project has also been strongly supported and made possible by the U.S. Department of Energy, state and local officials, and the work of Pennsylvania subcontractors, for which we are very grateful." During construction, 30 jobs have been generated on the site and all materials for Beacon's flywheels were fabricated in the United States.

Imre Gyuk, Program Manager of DOE's Energy Storage Program, said: "It is a pleasure seeing this ARRA stimulus project move from design to construction to commercial operation – keeping our electric grid stable and providing jobs. DOE has supported this technology since the initial prototype and is assured of its continued success."

Beacon's grid-scale flywheel project is an ideal resource to help the PJM Interconnection balance power supply and demand cost-effectively; the flywheels store surplus energy that may otherwise be wasted and rapidly inject it back when there is an energy shortfall. The facility corrects imbalances more than twice as efficiently as traditional generators while consuming no new fuel, producing no emissions, and using no hazardous materials or water. Electricity users in Pennsylvania are expected to benefit from the high efficiency of the system through lower costs and a more stable and resilient power grid.

The facility is being built with equity from Rockland Capital and funding support from the Department of Energy and the Commonwealth of Pennsylvania. Beacon will be providing frequency regulation services to PJM under a recently implemented "pay-for-performance" market tariff that recognizes the superior attributes of fast-response energy storage resources. PJM is the world's largest wholesale electricity market and will provide an opportunity to demonstrate the capabilities of Beacon's clean, fast-

responding flywheel technology. Beacon's flywheels have a product life of more than 20 years and incur low annual operating and maintenance costs.

About Beacon Power, LLC

Beacon Power is a global leader in the development and commercialization of flywheel-based energy storage, offering proven solutions at the utility-scale for power grid efficiency, frequency regulation, grid security, renewable power integration and other ancillary services, while contributing to the reduction of greenhouse gas emissions. The company operates the largest grid-tied flywheel facility in the world at 20 MW, located in Stephentown, New York, and has begun providing commercial services at a second plant in Hazle Township, Pennsylvania. Beacon's patented Generation 4 flywheels have accumulated over four million operating hours providing regulation services. The company's headquarters and manufacturing facility are in Tyngsboro, Massachusetts. For more information visit: www.beaconpower.com.

About Rockland Capital

Rockland Capital, a private equity firm founded in 2003, is focused on the acquisition, optimization and development of companies and projects in the North American power sector. The firm manages Rockland Power Partners and Rockland Capital Energy Investments and has offices in Houston and New York. For further information visit www.rocklandcapital.com.

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978-661-2024 978-661-2825

Note to editors: Images available on request.