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Capstone Receives C1000 Signature Series Order for Another Flare Gas-to-Energy Project

VAN NUYS, Calif., March 21, 2018 (GLOBE NEWSWIRE) -- Capstone Turbine Corporation (www.capstoneturbine.com) (Nasdaq:CPST), the world's leading clean technology manufacturer of microturbine energy systems, announced today an order for a C1000 Signature Series unit to be deployed on another flare gas-to-energy project in Los Angeles, California.

The order comes on the heels of a late December 2017 order for two C1000 Signature Series microturbines to power an oil and gas site in California. Cal Microturbine, one of Capstone's distributors for California, secured both orders.

The customer, an oil and gas production facility, previously opted to sell the produced natural gas, as opposed to flaring it and releasing the harmful gas into the air. However, the customer realized that it could obtain the financial benefits from using the gas to generate onsite electricity, while also avoiding the environmental impact of flaring, a combined result that far outweighed the value of simply selling the raw commodity. Cal Microturbine expects the project to be commissioned this summer.

The World Bank reports that between 150 to 170 billion cubic meters of gases are flared or vented annually, an amount valued at about \$30.6 billion, equivalent to 25% of the United States' natural gas consumption or 30% of the European Union's natural gas consumption annually.

"Fortunately, this California oil and gas producer was environmentally conscious by capturing and selling its associated natural gas. Unfortunately, that is still the exception and not the rule in far too many instances in the U.S. and around the world," said Darren Jamison, President and Chief Executive Officer of Capstone. "The flaring of associated gas is a senseless and old-fashioned practice that wastes precious natural resources while simultaneously contributing to global warming. Typically, it is both economically and environmentally smarter to capture and utilize associated gas in a low emission technology like microturbines," added Mr. Jamison.

Flaring associated gas releases methane, a greenhouse gas that, when released directly into the air, traps heat in the atmosphere. The process of flaring contributes directly to global warming. Flaring has a substantial impact on the health and environment of landowners who live near a flared well. The methane release can be smelly, noisy, and, according to the National Institute of Health, exposure can cause headaches, dizziness, weakness, nausea, vomiting, and loss of coordination in people and animals. In addition, it creates a 24x7 bright light, blocking out the night sky.

Capstone microturbines are able to use the associated natural gas as an input fuel source without any gas pre-treatment. This allows the end-use customer to monetize the associated gas, keep operational costs low by not needing extra fuel-cleaning equipment and significantly reduce the negative impact on the local environment.

"We are seeing increased interest in reducing utility costs from oil and gas clients in California," said Jim Crouse, Executive Vice President of Sales and Marketing for Capstone. "These clients are realizing that they can derive more value from their produced associated natural gas by using it to generate electricity onsite than they can by flaring it or selling it on the wholesale market," added Mr. Crouse.

About Capstone Turbine Corporation

Capstone Turbine Corporation (www.capstoneturbine.com) (Nasdaq:CPST) is the world's leading producer of low-emission microturbine systems and was the first to market commercially viable microturbine energy products. Capstone has shipped over 9,000 Capstone Microturbine systems to customers worldwide. These award-winning systems have logged millions of documented runtime operating hours. Capstone is a member of the U.S. Environmental Protection Agency's Combined Heat and Power Partnership, which is committed to improving the efficiency of the nation's energy infrastructure and reducing emissions of pollutants and greenhouse gases. A UL-Certified ISO 9001:2015 and ISO 14001:2015 certified company, Capstone is headquartered in the Los Angeles area with sales and/or service centers in the United States, Latin America, Europe, Middle East and Asia.

Forward-Looking Statements

This press release contains "forward-looking statements," as that term is used in the federal securities laws. Forward-looking statements may be identified by words such as "expects," "objective," "intend," "targeted," "plan" and similar phrases. These forward-looking statements are subject to numerous assumptions, risks and uncertainties described in Capstone's filings with the Securities and Exchange Commission that may cause Capstone's actual results to be materially different from any future results expressed or implied in such statements. Capstone cautions readers not to place undue reliance on these forward-looking statements, which speak only as of the date of this release. Capstone undertakes no obligation, and specifically disclaims any obligation, to release any revisions to any forward-looking statements to reflect events or circumstances after the date of this release or to reflect the occurrence of unanticipated events.

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