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Energy Recovery Drives Desalination in United States with \$1 Million Awarded for California and Texas Projects

SAN LEANDRO, Calif.--(BUSINESS WIRE)-- <u>Energy Recovery</u> Inc. (NASDAQ:ERII), the leader in pressure energy technology for industrial fluid flows, today announced \$1 million in awards for desalination projects in California and Texas.

Energy Recovery will supply its PX-Q300 Pressure Exchanger devices and AquaBold highpressure pumps for the Charles E. Meyer Desalination Plant retrofit in Santa Barbara, California, in partnership with IDE technologies, a global water treatment solutions firm headquartered in Israel. The plant has a capacity of 15 MLD divided in three trains, which could be expanded in the future to double its capacity. Energy Recovery estimates that the plant will save about 26 GWh per year in energy consumption, and reduce its carbon footprint by about 15,000 tons per year. Order shipment is expected in the third quarter of this year.

Energy Recovery's President and CEO Joel Gay stated, "For the Santa Barbara plant, we are supplying the PXs and the AquaBold high-pressure pumps. Sourcing both devices through Energy Recovery maximizes efficiencies for any plant, and we hope it will become a best practice for the desalination industry."

In addition, Energy Recovery will provide PX-Q300 Pressure Exchangers for the M&G Chemicals Corpus Christi Facility in Texas, constructed by the company to produce plastics materials for the largest polyethylene terephthalate (PET) plant in the world. The Company has partnered with the Italveco Group, a global environmental engineering company headquartered in Italy. The desalination plant associated with the Corpus Christi facility is expected to produce 6 million gallons of water per day (MGD) to cover plant's utility needs such as cooling system and boiler systems water make up, among others, and is expected to be in production by the first quarter of 2016. Energy Recovery estimates that the facility will save about 40 GWh per year in energy consumption, and reduce its carbon footprint by almost 24,000 tons per year. Order shipment is expected in the 4th quarter of 2015.

Mr. Gay added, "Energy Recovery has 16,000 devices in use around the world, but with the demand for desalination having been historically limited in the United States, we have had disproportionately few installations in our home country. This is starting to shift. While political factors will continue to present a challenge to widespread adoption of desalination in the U.S., these projects are a clear response to the epic drought that continues to wreak havoc on a number of state economies. As the provider of the foremost enabling technology in desalination, we are well positioned to benefit from and are proud to contribute to the domestic growth of the industry."

Energy Recovery has already installed its PX-Q300 devices at the Carlsbad Desalination Plant in California, which is expected to begin production in 2015, and will produce 50 MGD

for San Diego County.

About Energy Recovery

Energy Recovery (NASDAQ:ERII) develops award-winning technology that recycles unused pressure energy to improve productivity of industrial pumping systems. Our technology protects vulnerable equipment and saves substantial energy and maintenance costs for operators within the oil & gas, chemical, and water industries. With more than 16,000 devices worldwide, our products save clients more than \$1.5 billion (USD) annually. Headquartered in the San Francisco Bay Area, Energy Recovery has offices in Shanghai and Dubai. Visit <u>www.energyrecovery.com.</u>

Forward-Looking Statements

This press release contains forward-looking statements that reflect management's current expectations, assumptions and estimates of future performance and economic conditions. Such statements are made in reliance upon the safe harbor provisions of Section 27A of the Securities Act of 1933 and Section 21E of the Securities Exchange Act of 1934. The company cautions investors that any forward-looking statements are subject to risks and uncertainties that may cause actual results and future trends to differ materially from those matters expressed in or implied by such forward-looking statements. Statements about our expectations as to shipment timing are forward-looking and involve risks and uncertainties. Energy Recovery disclaims any intention or obligation to update or revise any forward-looking statements, whether as a result of new information, future events, or otherwise.

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