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Capstone Microturbines Continue to Power Through Hurricane Harvey, Irma and Now Maria

CHATSWORTH, Calif., Sept. 22, 2017 (GLOBE NEWSWIRE) -- Capstone Turbine Corporation (www.capstoneturbine.com) (Nasdaq:CPST), the world's leading clean technology manufacturer of microturbine energy systems, announced today that the majority of their microturbine based distributed generation installations have powered through Hurricanes Harvey, Irma and now Maria, much like they did with Hurricane Sandy back in 2012, with little or no downtime.

Both Hurricane Harvey and Irma have killed more than a hundred people,destroyed thousands of homes and caused flooding that has lasted weeks in some areas. The hurricanes also exposed the failings of the aging utility and sewer systems that were unable to cope with the heavy rainfall, flooding and downed power lines. As a result, electric utilities experienced wide-scale outages and some wastewater treatment plants released untreated sewage into streets, rivers and homes of affected towns and counties.

Hurricane Harvey caused substantial electrical outages as power plants and transmission infrastructure—particularly in South Texas and along the Gulf Coast—had been severely affected by high winds and significant flooding. At its peak, more than 10,000 megawatts (MW) of electricity generating capacity in the Electric Reliability Council of Texas (ERCOT) grid and a substantial number of transmission and distribution lines experienced forced outages.

Capstone reported that the overwhelming majority of their customer's installations in Texas, Florida, Puerto Rico, Dominican Republic and the U.S. Virgin Islands not only survived the storms but are fully operational providing critical power, which in some cases provides the power needed to pump water. This result is similar to what Capstone microturbines did back in late October 2012 when Hurricane Sandy devastated the states of New York and New Jersey and a then estimated 93, out of 95 microturbines, remained fully operational.

"Five years removed from Hurricane Sandy, RSP Systems, our distributor for the greater New York area, is a top five-revenue producer worldwide for Capstone," said Darren Jamison, Capstone President and Chief Executive Officer. "You can clearly see the dramatic impact in RSP's purchases from the year before Sandy to today's level as many more business became receptive to the idea of onsite distributed generation as a way to harden infrastructure and provide not only both money savings and onsite generation but also critical emergency backup power during large-scale power outages," added Mr. Jamison.

RSP Systems experienced explosive growth immediately following Hurricane Sandy in 2012

with purchases from Capstone Turbine jumping from less than $500 thousand in 2012 to approximately $3 million the following year in 2013. Furthermore, purchases remained at the elevated $3 million level for each of the following four years from RSP Systems until 2017 when purchases topped the $5 million mark.

“This is the most severe weather activity the U.S. has experienced since Sandy back in 2012 and it's truly heartbreaking to watch the news coverage. However, from a product standpoint it is heartening to receive positive reports from the dozens of Capstone oil and gas installations in Texas and to hear that the lights are still on for some sensitive Capstone customers like Margaritaville in St. Thomas and the Plaza Extra East Super Market in St. Croix. I can only imagine the line outside of the Popeye’s Louisiana Kitchen restaurant in Puerto Rico that is operating despite the widespread local area blackout,” stated Mr. Jamison.

“At Capstone, our hearts and prayers are with those families impacted by the terrible devastation and widespread loss of life and property, but these events should remind us all how fragile our utility infrastructure can be and the value of adopting onsite distributed generation,” concluded Mr. Jamison.

With the resiliency of microturbines, most Capstone customers experienced minimal downtime, if any at all, and the vast majority of microturbine sites in affected areas remained fully operational. In the case of St. Thomas, the one resort that was able to continue operating after the hurricane was the one with its 1.8 MW gas-fired microturbine power plant. It was the only area resort with both power and water after the storm. It is now estimated that it could take three to six months for some businesses and resort hotels to re-open their doors in the U.S. Virgin Islands.

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.

This press release contains "forward-looking statements," as that term is used in the federal securities laws, about the advantages and reliability of our microturbines and increased acceptance of our technology given the recent hurricanes. 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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