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Capstone Turbine Corporation Receives Order for C600 and C1000 From Wastewater Treatment Plant in York, Pennsylvania

CHATSWORTH, Calif., Dec. 16, 2010 (GLOBE NEWSWIRE) -- Capstone Turbine Corporation (www.capstoneturbine.com) (Nasdaq:CPST), the world's leading clean technology manufacturer of microturbine energy systems, received an order for a C600 and C1000 that will be installed at the City of York Wastewater Treatment Plant in York, Pennsylvania.

The York City Sewer Authority and its partner municipalities will hold a groundbreaking ceremony today for the plant's new combined heat and power (CHP) system, which will be fully operational summer 2011.

As part of the CHP system, the methane-fueled C600 simultaneously will supply 600 kilowatts of electricity for the facility and create hot water to heat the building and the site's two 98-degree Fahrenheit anaerobic digesters used in the waste-treatment process.

The plant, which serves more than 170,000 residents in eight municipalities, will use the C1000 to generate more power when the plant's demand for electricity rises, and for peak shaving several hours each day.

"Peak shaving allows a facility to lower electricity costs by producing power onsite when utility rates rise," said Jeff Beiter, Managing Partner at E-Finity Distributed Generation, the exclusive Capstone Mid-Atlantic Distributor that secured the order.

York officials expect the new cogeneration facility will generate more than 2.5 million kilowatts of electricity, reduce energy costs approximately $278,000 per year and lower carbon dioxide emissions by more than 1.5 million pounds annually. The clean-and-green Capstone turbines replaced old, high-emission reciprocating engines that had operated since 1988.

For years, the wastewater treatment plant flared waste methane gas produced during the treatment process. Unfortunately, methane has a greenhouse-gas impact on the atmosphere 21 times that of carbon dioxide.

"City of York officials understand the benefits of low-emission microturbine technology, especially when used in a combined heat and power or peak shaving application," said Jim Crouse, Capstone's Executive Vice President of Sales and Marketing. "For the CHP system, they'll likely experience energy efficiencies that exceed 80 percent, which means significantly

reduced energy costs. The highly reliable C1000 they'll use for demand response and peak shaving will provide even lower energy costs while ensuring round-the-clock power availability onsite."

"The Authority was looking for a partner in this process, a partner whose products and reputation would stand alongside the Authority in bringing this state-of-the-art project on line," said JT Hand, Chief Operating Officer, York City Sewer Authority. "I believe we've found that partner in Capstone and I'm confident that this unique configuration of the C600 and C1000 microturbines will set the production standard for wastewater treatment plant co-generation."

Capstone's C600 and C1000 Power Packages are robust 600 kilowatt and one megawatt power systems configured in compact ISO size containers that provide the same low emissions, low noise, high efficiency and extended maintenance benefits of Capstone's C30, C65 and C200 offerings. They feature Capstone's patented air bearing, remote monitoring and diagnostic capabilities, and integrated utility synchronization and protection. The small, modular C600 and C1000 systems allow for easy and low-cost installation. Five- and nine-year Factory Protection Plans ("FPP") also are available, providing customers with fixed maintenance costs over the term of the FPP.

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 Turbine has shipped over 5,000 Capstone MicroTurbine(R) systems to customers worldwide. These award-winning systems have logged millions of documented runtime operating hours. Capstone Turbine 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 9001:2008 and ISO 14001:2004 certified company; Capstone is headquartered in the Los Angeles area with sales and/or service centers in the New York Metro Area, Mexico City, Nottingham, Shanghai and Singapore.

The Capstone Turbine Corporation logo is available at https://www.globenewswire.com/newsroom/prs/?pkgid=6212

This press release contains "forward-looking statements," as that term is used in the federal securities laws, about the fuel efficiency, reliability and environmental advantages of our products. 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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