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Capstone Secures Repeat Order from Global Hotel Chain to Improve Operational Savings and Lower Overhead in New York Hotel

VAN NUYS, Calif., April 15, 2019 (GLOBE NEWSWIRE) -- Capstone Turbine Corporation (www.capstoneturbine.com) (Nasdaq: CPST), the world's leading clean technology manufacturer of microturbine energy systems, announced today that it has secured an order from a global hotel chain for four C65 combined heat and power (CHP) microturbines that will be installed in one of its new properties in New York City. Capstone's distributor for New York and Connecticut, RSP Systems, secured the follow up order with commissioning set for 2020 when the hotel is expected to open.

Looking to lower overhead and improve grid reliability, the CHP cogeneration system will be installed to reduce energy costs by producing up to 260kW of electricity. Moreover, thermal heat from the exhaust will be utilized for domestic hot water (DHW) and space heating for the nearly 350-room property. The four natural gas-fueled C65 units will operate in a 24/7 grid connected mode that will allow the property to reduce their carbon footprint and offset high utility costs.

“Depending on the microturbine configuration warranted by the customer, hotel properties can expect a significant drop in their overall energy cost, by as much as 50%, when adding hot water and space heating to the equation,” said Darren Jamison, Capstone's President and Chief Executive Officer. “The best part being, our systems will not only ensure that the hotel lights stay on during a blackout, they will also help reduce the hotel's carbon footprint,” added Mr. Jamison.

“This system will meet nearly 40-50% of the hotel's power needs and nearly 30% of the domestic hot water and heating needs during summer and winter months,” said Bruce Beckwith, RSP Systems' Executive Vice President.

According to Energy Star, a government-backed program helping businesses and individuals protect the environment through superior energy efficiency, hotels spend an average of $2,196 per available room each year on energy which accounts for about 6% of all operating cost. With guest satisfaction being a top priority for hotels, operators are continuously seeking for ways to reduce the cost but not at the expense of guest comfort.

Unlike the residential market, urban hotel properties may be unable to count on solar panels for energy savings due to the limitations on the roof area needed. Capstone's product line ranges from a C30 unit that produces 30kW to a C1000S that produces one megawatt. All units can be interconnected in a series to produce ten plus megawatts, thus meeting the power requirement of not only a hotel, but also commercial buildings, hospitals or industrial plants.

“Energy cost is a major expense for hotel owners and operators,” said Jim Crouse, Capstone’s Executive Vice President of Sales and Marketing. “As rates increase, the payback period on our CHP systems can be very compelling. It is not uncommon to see payback periods as short as three years,” added Mr. Crouse.

About Capstone Turbine Corporation

Capstone Turbine Corporation (www.capstoneturbine.com) (Nasdaq: CPST) is the world’s leading producer of highly efficient, low-emission, resilient microturbine energy systems. Capstone microturbines serve multiple vertical markets worldwide, including natural resources, energy efficiency, renewable energy, critical power supply, transportation and microgrids. Capstone offers a comprehensive product lineup, providing scalable systems focusing on 30 kWs to 10 MWs that operate on a variety of gaseous or liquid fuels and are the ideal solution for today's distributed power generation needs. To date, Capstone has shipped over 9,000 of these systems into 73 countries logging millions of operating hours.

Capstone is committed to improving the efficiency of energy needs around the world, while simultaneously reducing global emissions of pollutants and greenhouse gases. Capstone’s systems help end users improve their impact on the environment, while still meeting power and reliability needs. During fiscal year 2019, Capstone saved end-use customers an estimated $194 million in annual energy costs and 314,000 tons of carbon.

Not only does Capstone enable customers to reduce CO2 and emissions, Capstone applies the same principals to its own environmental footprint and focuses internally on its environmental risks, energy consumption, waste disposal and carbon footprint. Capstone also strives to foster a corporate culture emphasizing its relationship with employees, customers and suppliers in order to ensure that Capstone’s corporate values are aligned with those of its employees, customers and suppliers.

For more information about the company, please visitwww.capstoneturbine.com. Follow Capstone Turbine on Twitter, LinkedIn and YouTube.

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,” “believes,” “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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