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First TECOCHILL Chillers Sold to Indoor Agriculture Industry

WALTHAM, Mass., Feb. 10, 2016 /PRNewswire/ --Tecogen® Inc. (NASDAQ: TGEN) is pleased to announce the company's first sale into the indoor agriculture industry. MadeWell Ventures LLC purchased two (2) 150-ton TECOCHILL® natural gas engine-driven chillers for installation at an indoor growing facility in Denver, Colorado. Cultivated Power specified the chillers as an integral component of the Combined Heat and Power system implementation. According to the customer's engineering estimates, the chillers and specified ancillary equipment are expected to save the facility over $100,000 per year by significantly reducing the building's electrical demand and energy usage, providing free carbon dioxide from the cleaned exhaust stream to improve growing conditions, and by recovering free high-quality waste heat from the engines for heating and humidity control.

"Electric grid demand and emissions control are top concerns for the indoor growing industry, as has been well documented in recent press coverage of the sector. Our ultra-clean efficient equipment can provide growers a logical and cost effective solution," said Robert Panora, Tecogen President and chief of operations.

"This installation will be the first to utilize the Tecogen chillers in a grow facility and will be the first to incorporate CO_2 capture and utilization. It will not only provide an ideal growth environment but will also be one of the most efficient operations in the U.S." said Jim Kelly, President of Cultivated Power.

The leading natural gas engine-driven chiller on the market, TECOCHILL cuts costs by as much as 30-60% when compared to conventional electric chillers. By running on inexpensive and reliable natural gas, TECOCHILL chillers can help agricultural customers avoid punitive peak electrical demand charges. As an added bonus, additional savings can be realized by recovering free waste heat from the engines' water jackets and exhaust streams, for use in space conditioning, heating, and humidity control in the grow areas. The true power of the TECOCHILL technology is most evident in the summertime when electricity rates are at their highest while natural gas pricing is "off peak" and especially affordable. In addition, TECOCHILL chillers require minimal electric load during electrical

blackouts. Because the chillers are fed by reliable natural gas, customers can be assured their buildings will remain cool and their crops will not experience adverse temperature fluctuations during outages, while minimizing demand on backup power generators.

By selecting Tecogen's patented Ultera™ emission control technology, the facility will not only cut its carbon footprint in half (via reductions in energy usage), but also reduce emission of harmful smog-generating criteria pollutants (NO_x and CO) to near-zero levels. Because the chillers' exhausts will be pre-treated, the exhaust gases can be introduced into the growing spaces via a condensing unit developed by Cultivated Power. TECOCHILL's clean exhaust carbon dioxide (CO_2) provides a free source of nutrition for the plants, promoting plant health and speeding growth while reducing expensive CO_2 purchases by the facility operator. Environmentally conscious indoor growing customers can select Tecogen's equipment to power their greenhouse facilities with premier ultra-clean technology.

The modular design of Tecogen equipment, along with the minimal demand it places on electrical infrastructure, allow for ease of retrofitting into existing facilities. In this case, an existing warehouse that lacks major electrical infrastructure is being converted into a growing facility. Since the TECOCHILLs run on natural gas, the facility owner is able to avoid costly electrical upgrades that would have been required had similar-sized electric chillers been selected; offering yet another significant source of savings for the growing operation.

About Tecogen

Tecogen® Inc. designs, manufactures, sells, installs, and maintains high efficiency, ultra-clean, combined heat and power products including natural gas engine-driven cogeneration, air conditioning systems, and high-efficiency water heaters for residential, commercial, recreational and industrial use. The company is known for cost efficient, environmentally friendly and reliable products for energy production that, through patented technology, nearly eliminate criteria pollutants and significantly reduce a customer's carbon footprint.

In business for over 20 years, Tecogen has shipped more than 2,300 units, supported by an established network of engineering, sales, and service personnel across the United States. For more information, please visit www.tecogen.com where you can contact us for a free Site Assessment.

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Forward Looking Statements

This press release contains forward-looking statements under the Private Securities Litigation Reform Act of 1995 that involve a number of risks and uncertainties. Important factors could cause actual results to differ materially from those indicated by such forward-looking statements, as disclosed on the Company's website and in Securities and Exchange Commission filings. The statements in this press release are made as of the date of this press release, even if subsequently made available by the Company on its website or otherwise. The Company does not assume any obligation to update the forward-looking statements provided to reflect events that occur or circumstances that exist after the date on which they were made.

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