

For further information:  
Company Contact: Robert A. Panora  
Phone: 781.466.6401  
E-mail [RPanora@tecogen.com](mailto:RPanora@tecogen.com)

Media Contact: Caroline A. Grossman  
Phone: 781.771.5579  
E-mail: [caroline.grossman@comcast.net](mailto:caroline.grossman@comcast.net)

## **Tecogen Chosen to Design Next-Generation, Ultra-Efficient Cogeneration System Under Contract Awarded by the California Energy Commission**

WALTHAM, Mass., (April 27, 2004) – Tecogen Inc., a pioneer in the development of cost-effective, reliable, and environmentally friendly systems for the generation of on-site power, heating, and cooling, announced that it was one of four recipients awarded funds by the California Energy Commission's Public Interest Energy Research (PIER) program to develop a next-generation cogeneration system that improves the efficiency, reliability, and environmental performance of electric-generation technologies. Tecogen is a subsidiary of American Distributed Generation Inc.

The California Energy Commission's PIER's Environmentally Preferred Advanced Generation program has awarded Tecogen \$941,000 to develop the system as a Combined Heat and Power (CHP) Research, Development, and Demonstration project. Tecogen also received \$175,000 in private matching funds.

"We are very gratified to have received the support of the California Energy Commission for this important project," said John N. Hatsopoulos, chief executive officer of American Distributed Generation. "Tecogen has been an innovator in the development and commercial deployment of small CHP systems for more than 20 years. This contract will allow us to develop a next-generation 100-kilowatt CHP system, incorporating the latest inverter power-electronics technology, with simple interconnection to the grid allowing a 'plug-n-play' system for easy installation and a fully certified design to expedite project approvals."

According to Robert A. Panora, president of Tecogen, "Other significant advantages will include standby power capability during blackouts, power quality and reliability improvements, peaking power capacity for utility demand response programs, and energy-cost savings. In addition, the technology can integrate readily with on-site photovoltaic systems, and provides a foundation for ultra-low emissions to keep pace with ever tightening emission requirements in California and other parts of the country."

Tecogen plans to develop a prototype system and initiate field tests by spring 2005. The company expects to introduce the system commercially by early 2006.

"The California energy crisis of 2000 illustrated the potential vulnerabilities of a highly centralized power-generation infrastructure," said Commissioner Art Rosenfeld, presiding member of the Energy Commission's research and development committee. "We believe that innovative CHP systems like the one that Tecogen is proposing will provide our citizens with important societal and economic benefits – cleaner air, and more competitively priced and reliable energy. In addition, the complementary nature of this technology with other clean forms of on-site generation, such as photovoltaics, can leverage the economic and environmental benefits for the California market."

**About Tecogen**

In the U.S., Tecogen is the leading manufacturer of reliable and efficient low-emission packaged cogeneration units. Based on low-cost, mass-produced internal combustion engines, Tecogen's modular units use natural gas to produce electricity right at the customer's facility, capturing the waste heat to produce domestic hot water. Tecogen has a nationwide installed base of more than 1,800 units, which it supports through an established network of engineering, sales, and service support. Tecogen is a subsidiary of American Distributed Generation Inc. based in Waltham, Massachusetts. For more information, go to [www.tecogen.com](http://www.tecogen.com).

**About American Distributed Generation, Inc.**

A privately held company based in Waltham, Massachusetts, American Distributed Generation provides a range of innovative products and services in support of the emerging market for on-site generation of electricity, heating, and cooling at commercial, institutional, and light-industrial facilities. In addition to TECOGEN<sup>®</sup> and TECOCHILL<sup>®</sup> equipment and field service, the company also offers customers a "virtual utility" option for the purchase of electricity and other energy services at prices below conventional utility rates. For more information, go to [www.americandginc.com](http://www.americandginc.com).

**About the California Energy Commission**

Based in Sacramento, the California Energy Commission is the state's primary energy policy and planning agency. It was created by the Legislature in 1974 to fulfill five major responsibilities: forecasting future energy needs and keeping historical energy data; licensing thermal power plants 50 megawatts or larger; promoting energy efficiency through appliance and building standards; developing energy technologies and supporting renewable energy; and planning for and directing state response to energy emergencies. Through its "Public Interest Energy Research" program, the Commission conducts public interest energy research that seeks to improve the quality of life for California's citizens by providing environmentally sound, safe, reliable, and affordable energy services and products. PIER's Environmentally Preferred Advanced Generation (EPAG) unit has the objective of facilitating widespread use of non-renewable distributed generation (DG) and improving California's air quality by developing reliable, inexpensive, emission-reduction technologies for reciprocating engines, small turbines and microturbines, fuel cells, and hybrid fuel cell-microturbine technologies. DG is the application by which the EPAG program will provide initial, tangible public benefits in the form of clean and reliable on-site electricity generation.