

FlexEnergy Applauds California's Proposed Self-Generation Incentive Program (SGIP) Decision

New Program Would Provide Significant Benefit to FlexEnergy Inc Customers

IRVINE, Calif., July 21, 2011 /PRNewswire/ -- FlexEnergy Inc (www.flexenergy.com), a clean tech business with the breakthrough solution to create clean energy with near zero emissions from harmful greenhouse gases, applauds the July 19, 2011 proposed decision of California Public Utilities President Michael Peevey to modify the Self-Generation Incentive Program, or SGIP. The program is designed to stimulate the installation of clean and ultra-efficient energy generation technologies.

"President Peevey's proposed SGIP decision will help California maintain its leadership in the clean technology industry and will create jobs for many Californians," says Joe Perry, CEO, FlexEnergy Inc. "FlexEnergy technology is available today and will help to improve our environment and energy independence."

The SGIP is a program designed to provide rebates for qualifying energy systems. As proposed, the new SGIP will provide FlexEnergy Inc's customers with a significant incentive for the purchase of new equipment, including the Flex Powerstation™ and Flex Turbine™. The proposed new SGIP will benefit FlexEnergy Inc's conventional low-emission combined heat and power (CHP) projects, with a significant additional incentive provided for customers using in-state biogas resources.

The new SGIP will become available upon final approval of handbook revisions, due in 30 days, which are necessary for SGIP implementation. As proposed, a FlexEnergy Inc customer purchasing a 250 kilowatt Flex Powerstation™ or Flex Turbine™ would receive an incentive of \$125,000 for a conventional CHP system and \$500,000 for a biogas system. The incentive would be paid 25% up front and 15% for the following five years based on actual measured performance.

Proposed new SGIP incentive levels would be as follows:

- Flex Powerstation™ FP250 (Biogas CHP): \$2,000/kw
- Flex Turbine™ MT250 (Biogas CHP): \$2,000/kw
- Flex Powerstation™ FP250 (Natural Gas CHP): \$500/kw
- Flex Turbine™ MT250 (Natural Gas CHP): \$500/kw

For more information, please contact sales@flexenergy.com.

About FlexEnergy Inc:

FlexEnergy Inc (www.flexenergy.com) is the developer and manufacturer of the world's cleanest power platforms, transforming one of the world's largest sources of greenhouse gases (low quality methane) from a source of pollution into a clean energy source. FlexEnergy Inc manufactures a product line of turbines with the lowest emissions and widest fuel flexibility. The energy-efficient Flex Turbine™ MT250 is the leader in its class with hundreds of thousands of field operating hours. The Flex Powerstation™ FP250 with the patented thermal oxidizer is the only turbine that offers both pollution control and energy generation. FlexEnergy Inc is headquartered in Irvine, Calif. with manufacturing and service facilities in Portsmouth, N.H. and Mocksville, N.C.

For more information, visit www.flexenergy.com.

FlexEnergy investors include:

SAIL Capital Partners - a cleantech investment firm with unique global insight into technologies, markets, and opportunities. For more information, visit www.sailcapital.com.

RNS Capital Partners - a closely held private equity firm with investments in energy services, clean technology and education. For more information, visit www.rnscapitalpartners.com.