



The Power to Control.®

Xtreme Power Chosen for Alaska's First Utility-Scale Wind Farm
Company to deliver another intelligent grid-scale power management solution

Kodiak, Alaska – April 10, 2012 – [Xtreme Power Inc.](#), developer and integrator of Dynamic Power Resource® (DPR®) power management and energy storage solutions, today announced an agreement with the [Kodiak Electric Association](#) (KEA) to install a 3 MW DPR on its Pillar Mountain Wind Project. Completed in 2009, Pillar Mountain is Alaska's first utility-scale wind farm and currently provides nearly 10 percent of the power in KEA's generation portfolio.

To take advantage of this lower-cost alternative to diesel power generation, KEA made the decision to expand Pillar Mountain to a total capacity of 9 MW. However, the intermittent nature of wind power on this scale can create grid instability issues, leading KEA to explore energy storage and power management options.

The Dynamic Power Resource will leverage its real time control system to automatically respond to grid disturbances by absorbing or releasing real and reactive power instantly and accurately. This will help KEA realize significant savings in its operating costs by maximizing the wind energy generated at Pillar Mountain without sacrificing grid stability.

"We were drawn to Xtreme Power for its proven performance in renewable rich grid environments and sought to bring this same stability assurance to our Pillar Mountain Wind Project," said Darron Scott, President and CEO of the Kodiak Electric Association. "The XP team assessed Pillar Mountain's energy storage needs to develop a Dynamic Power Resource system that enhances grid operations while adhering to KEA's financial targets. Together, we are furthering KEA's goal of reaching 95 percent renewable power generation by 2020."

Xtreme Power's experience with intelligent grid-scale power management solutions includes 22 megawatts of installed systems for utilities, renewable energy developers, and microgrid operators, with an additional 55 megawatts of systems to be installed by the end of this year. The DPR on the Pillar Mountain Wind Project will be completed in Q4 of 2012.

"Our highly responsive, intelligent, and scalable energy storage and power management solution enables utilities to efficiently deploy abundant clean energy resources and brings greater flexibility to their operations," said Alan J. Gotcher, Ph.D., President and CEO of Xtreme Power. "Achieving market penetration in new regions highlights the universal benefits of the Dynamic Power Resource for customers with varying needs, and we anticipate additional expansion as the value of energy storage is demonstrated through our projects around the world."

About Xtreme Power

Xtreme Power provides scalable, real-time power management and energy storage solutions that enable a more sustainable, reliable and cost-effective electric grid. Xtreme Power's Dynamic Power Resource® combines customized real time controls and intelligent power electronics with efficient energy storage technology engineered specifically to the needs of its customers. Xtreme Power enables multiple participants

and technologies to simultaneously operate on the electric grid providing new flexibility that has never before been possible. Xtreme Power is a US company backed by investors SAIL Capital Partners, Bessemer Venture Partners, The Dow Chemical Company, Fluor Corp., BP Alternative Energy, Dominion Resources, POSCO ICT, SkyLake & Co. and Spring Ventures, LLC.

For more information, please visit <http://www.xtremepower.com>.

About Kodiak Electric Association, Inc.

Kodiak Electric Association, Inc. (KEA) is a rural electric cooperative which generates and distributes electrical power in Kodiak, Alaska. KEA is committed to providing safe, reliable energy and a high level of service excellence to enhance the quality of life of its members and of the community. KEA was formed by and is owned entirely by the members we serve. Our purpose is not to maximize profits for shareholders—we are a not-for-profit organization. Our mission is to supply reliable electric service to our members at the lowest possible cost consistent with sound business practices. We exist for the long-term benefit of our members. We value your input so please call on board members, management, and employees when you see new opportunities in which we can add value to our system or services.

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