

## Decentralized Modular Power Plants and Biogas CHP Cogeneration Projects on the Rise in North America

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Cogeneration is the environmentally-friendly, economically-sensible way to produce power, simultaneously saving significant amounts of money and also dramatically reducing total greenhouse gas emissions. 2G's concept of smaller modular combined heat and power plants for decentralized energy production, especially biogas and natural gas fueled, is leading the way in North America.

While the biogas market in Europe is well-developed, it has taken longer for the industry to gain a foothold in North America. However, the number of decentralized power plants is increasing, and new biogas project announcements suggest the U.S. is finally ready to catch up with other industrialized markets.

In January 2010, 2G-CENERGY Power Systems Technologies Inc., a U.S.-based manufacturer of high-efficiency biogas-and natural gas energy conversion systems, jointly owned by 2G Bio-Energy Technologies in Germany (2G Bio-Energietechnik AG, publically traded at the Frankfurt stock exchange), and its North American management, announced the company plans to focus largely on the developing biogas market in the United States.

"We've been the market leader in Europe for many years but really saw a great growth opportunity in North America," said Michael Turwitt, 2G-CENERGY president and chief executive officer. The company uses a modular CHP and cogeneration technology that converts biogas and other gaseous fuels into valuable electrical as well as thermal energy. The result is a renewable energy production, environmentally friendly, very economical, and dramatically reducing greenhouse gas emissions. The technology is applied in combination with all types of anaerobic digesters (agricultural and organic waste streams), at landfills, and in combination with methane generating waste water treatment facilities.

To date, 2G's technology has been utilized in more than 1500 biogas projects in Europe, and many other locations in various industrialized countries. In North America the company successfully commissioned plants in Washington State, Wisconsin, Ontario, and is in the process of installing its advanced modular CHP technologies in Massachusetts, New York, South Carolina, Texas, and in Mississippi. Additional projects are forthcoming in Oregon, California, Pennsylvania, and in Ohio.

Most recently in Mississippi, Three Rivers Solid Waste Management Authority located in Pontotoc decided to purchase a modern 2G biogas power plant, a 1.3 million \$\\$\text{investment}\$, for their landfill facility. In April EMG in Pennsylvania awarded 2G-CENERGY with an order to supply a high efficiency biogas CHP (combined heat and power) cogeneration plant for EMG's anaerobic fluidized-bed digester technology to be installed at a large brewery in New York.

Instead of the conventional design-build, or site-build process, 2G customers always decide for a 100% modular "all-in-one" and "connection-ready" cogeneration system to save cost and to reduce technical risk. The cogeneration process results in overall electrical and thermal efficiencies close to 90%, compared to most utility power plants operating in the 33% percent efficiency range. 2G's systems are an integrated package, fully containerized and are supplied as a unique "all-in-one" and "connection-ready" modules. Benefits over conventional gas engine gensets (often wrongly compared with CHP systems) include much higher overall efficiency, reliability, durability, extended life, fast installation, and less maintenance cost.

Biogas projects have continued to gain traction in Europe, as well. On May 2<sup>nd</sup> 2G published their 2010 results. 2G-Bio-Energietechnik AG has again exceeded expectations for its revenue and earnings. After having already doubled its sales in the previous year, 2G achieved further Group-wide revenue growth of 79.7% in 2010. The 2011 outlook remains very optimistic and the solid uptrend in new orders is unbroken. The current order book position comprises 251 CHP systems entailing a total order value of around 86 Million US\$, a level well ahead of the previous year.

The 2G Group's strategic orientation continues to make great advances this year, not least due to the last few years' highly positive trend. Christian Grotholt, CEO of the 2G Group, commented on the company's further plans as follows: "Our expansion into markets outside Germany and Europe, as well as into the USA, has proved correct to date. We aim to expand our position through tapping further growth regions, and thereby also reduce our dependence on individual markets in a targeted manner. The German market nevertheless remains of outstanding importance for us. The energy-efficient deployment of natural gas CHPs will also become increasingly significant."

In the Management Board's opinion, the heightening of international awareness of the entire regenerative energy sector will also open up tangible potential for combined heat and power (CHP) generation. While debate addresses topics such as a lack of capacities in terms of energy storage systems and power lines, for instance, CHP technology, including biogas fueled power generation, represents the only truly decentralized solution for a balanced energy mix.

## About 2G - CENERGY Power Systems Technologies Inc.

Headquartered in Orange Park, FL, 2G - CENERGY Power Systems Technologies Inc. is a US Corporation owned by 2G Energy Technology Corporation (2G Bio-Energietechnik AG) Germany, and its US senior management team. 2G is a long-established company publically traded at the Frankfurt Stock Exchange. 2G Bio-Energietechnik AG is one of Germany's leading manufacturers of combined heat and power (CHP) systems, with more than 1500 cogeneration plants installed. The company's CHP power plants guarantee extreme high energy efficiency, extracted and generated from biogas, landfill gas, sewage gas, coal mine gas, natural gas, syngas and other specialty gaseous fuels. 2G-CENERGY provides technologically advanced and clean systems to generate electricity and heat, while reducing CO2 emissions and greenhouse gases. All plants are designed and manufactured "connection-ready".

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