

With 1MWh Order, Samsung SDI and Xtreme Power Announce Partnership to Develop Innovative Energy Storage Solutions

Austin, TX and Seoul, South Korea —February 19, 2013 – Samsung SDI, an affiliate of Samsung Group, and Xtreme Power, a privately held Austin, TX company, today announced that they have been selected by the Center for the Commercialization of Electric Technologies (CCET) to install a 1MW/1MWh Lithium Ion based Battery Energy Storage System (BESS) system at the Reese Technology Center in Lubbock, Texas as part of a Smart Grid Demonstration Project (SGDP). The \$27 million demonstration project jointly funded by CCET partners and the US Department of Energy as part of the American Recovery and Reinvestment Act (ARRA) of 2009 managed by CCET. The SGDP is known as *Discovery Across Texas, Technology Solutions for Wind Integration in ERCOT*. BESS will be owned and operated by South Plains Electric Cooperative (SPEC) as one of several project technologies to serve the SGDP objectives of wind integration.

The [Samsung SDI](#) and [Xtreme Power](#) BESS will be connected to SPEC's distribution grid at the Reese Technology Center as part of an ongoing wind technology program managed by GroupNIRE and Texas Tech University. The BESS will focus on combining utility scale energy storage with wind generation. Potential uses for the BESS include mitigating intermittent fluctuations of a number of nearby wind turbines, regulating the distribution bus voltage, serving as spinning reserve, and providing frequency support during the loss of generation.

The project marks the first order for the newly formed Samsung SDI / Xtreme Power alliance. Coupling Samsung SDI's Lithium Manganese Oxide (LMO) battery with Xtreme Power's Xtreme Active Control Technology™ (XACT™) the two firms have partnered to create an optimal energy storage solution for renewable integration and grid support.

Samsung SDI is the world leading supplier of Lithium Ion batteries producing over 1B cells annually, and total revenue exceeding \$5B. The LMO battery provides industry leading safety, quality, high energy densities, and cost competitiveness. The same battery is being utilized by leading automobile companies in the USA and Europe in their electric vehicles. This state of the art technology together with XACT's millisecond response time will enable renewable generation to attain higher levels of penetration on the grid, as well as supply ideal grid support services, such as frequency response, voltage support and ramp rate control. Xtreme Power and Samsung SDI will focus on key markets seeking to realize ambitious renewable goals and promote a cleaner electric grid.

"Taking part in the CCET project gave us yet another chance to demonstrate our expertise in matching power storage with renewable power generation, which is vital for realizing our green energy future. We are honored to work with Samsung SDI to bring a reliable, efficient, and cost-friendly solution to the energy storage and power management market," said Alan Gotcher, Chief Executive Officer of Xtreme Power. "Our XACT control platform, which can be integrated with the full range of battery technologies, will break new ground in the industry when paired with Samsung's unique technology."

Xtreme Power's XACT platform is unmatched in its ability to provide high power output within fifty milliseconds accurately and precisely without infringing upon safety protocols. This exclusive venture will enable Xtreme Power and Samsung SDI to offer a versatile product capable of not only enhancing the value of renewable generation, but also increasing the reliability of the electric grid.

“We appreciate the opportunity to participate in the CCET BESS project to demonstrate the value of integrating energy storage with renewables. Also, the strong combination of Samsung SDI and Xtreme Power will provide customers with solutions meeting their unique needs in energy storage backed by significant experience and capabilities in lithium ion batteries and system integration,” said Y.C. Yoon, EVP and Head of Energy Solutions of Samsung SDI.

About Samsung SDI

Samsung SDI Co., Ltd., which is headquartered in South Korea, is an affiliate of the Samsung Group and is the global leading manufacturer of Lithium Ion Batteries for Mobile Applications. Leveraging this position, Samsung SDI is focused on the next generation of Lithium Ion Battery Technology for electric vehicles and energy storage. Samsung SDI has been proudly listed by the DJSI (Dow Jones Sustainability Indexes) for nine consecutive years. For additional information, visit <http://www.samsungsdi.com>.

About Xtreme Power

Xtreme Power provides scalable, real-time power management and energy storage solution that enable a more sustainable, reliable, and cost effective electric grid. Xtreme Power’s systems combine real time controls and intelligent power conversion systems 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 been possible before. 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. A 2012 Bloomberg New Energy Pioneer, Xtreme Power earned the 15th spot on Inc. Magazine’s 500|5000 list of the fast growing private companies in the U.S. in 2012 – the company’s second year in a row making the list. For more information, please visit <http://www.xtremepower.com>.

About the Center for the Commercialization of Electric Technologies

Headquartered in downtown Austin, Texas since Sept 2005, the Center for the Commercialization of Electric Technologies (CCET), a Texas non-profit corporation, facilitates electric industry, technology company and university collaboration for the purpose of enhancing the safety, reliability, security, and efficiency of the Texas electric transmission and distribution system through research, development and commercialization of emerging technologies. <http://www.electrictechcenter.com>.

About South Plains Electric Cooperative

South Plains Electric Cooperative, Inc. is a distribution cooperative (Texas 56 Lubbock County) with headquarters in Lubbock, Texas, serving portions of Crosby, Hale, Hockley, Lubbock and Lynn Counties. Additional offices are located in Lorenzo and southwest of Lubbock. South Plains' service area is in the south-central Panhandle of Texas, and includes about 1,400 square miles at an elevation of 3,200 feet. The cooperative service area lies within the basin of the Brazos River, which flows to the southeast portions of the state of Texas. <http://www.spec.coop>.



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