



Clean Energy Systems

"Power without Pollution"

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CALIFORNIA ENERGY COMMISSION AWARDS ADDITIONAL \$2 MILLION TO CES FOR A ZERO EMISSION DEMONSTRATION POWER PLANT

RANCHO CORDOVA, CA - Clean Energy Systems, Inc. (CES) announced today that the California Energy Commission (CEC) has unanimously approved additional funding to demonstrate the durability and reliability of the first zero-emission, gas-fired power plant. The proposed Kimberlina power plant, purchased last year from the AES Corporation, was an idle six-megawatt biomass power plant near Bakersfield, CA. CES plans to re-power the plant using its recently tested zero-emission electric power generation system. The plant will initially use natural gas as a fuel.

"We are very grateful for the continued support of the CEC, and with this additional funding we will begin immediately the next development phase," said Brian Griffin, President of Clean Energy Systems.

"All of the components required to produce power without pollution have been tested, and now we will integrate them into what will be the first zero-emission power plant using our technology," added company CEO Keith Pronske. "Our goal is to begin testing this summer, and to have the plant producing electricity this year."

The gas generator technology developed by CES enables the generation of electric power without pollution using fossil or biomass fuels. The system emits no nitrogen oxide, sulfur dioxide, particulate matter or any of the other harmful elements often

associated with conventional power systems. The carbon dioxide is captured and can be beneficially used in nearby oil fields to increase domestic oil production.

The gas generator technology is derived from the aerospace industry and results from more than ten years of effort by a team led by experienced aerospace scientists and engineers. Successful testing of a commercial scale gas generator was completed in February 2003

The CEC 's total investment of \$4 million towards this project, is matched by funding and in-kind support from CES, America Air Liquide, the Mirant Corporation, and the U.S. Department of Energy. Total project costs are estimated at \$13 million, which will cover plant re-powering and operations over a two-year demonstration period.

CES is a privately held California corporation. For additional information please visit the company website at www.cleanenergysystems.com.

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