



Press Releases

San Francisco's Landmark Transamerica Pyramid Building To Add \$3.4 Million Cogeneration Power System

05.04.06

Aegon USA Awards Contract to Northern Power for Efficient CHP System

WAITSFIELD, VT – Northern Power, a subsidiary of Distributed Energy Systems Corp. (Nasdaq: [DESC](#)), has been awarded a \$3.4 million contract by AEGON USA Realty Advisors, a unit of Netherlands-based Aegon NV (NYSE/ADR: AEG). Aegon is one of the top five commercial lenders in the US.

Under the agreement, Northern Power will design, install and commission a 1.1 megawatt (MW) combined heat and power (CHP) system for the landmark Transamerica Pyramid at 600 Montgomery Street in San Francisco, California. The 48-story building, managed by Lowe Enterprises, is known as the "Pyramid," and is located in the heart of San Francisco's financial district.

System Details

Northern Power's CHP system will consist of two 560 kW natural gas-fired reciprocating engine generators, which will operate in parallel with the utility's downtown network grid. The two generators are designed to provide approximately 70% of the electrical requirements of the 530,000 square foot commercial office building. Recovered waste heat from the engines will be used to heat the building, displacing 100% of the steam currently purchased for heating purposes. Additionally, waste heat will drive a 320-ton absorption chiller that will be installed to create chilled water for the building.

Third System in Downtown San Francisco

The project marks Northern Power's third CHP system that will be interconnected with Pacific Gas & Electric Company's downtown network grid. "With the systems we have installed at Equity Office Properties' One Market Street and 201 Mission Street, this project adds to our considerable experience and strengthens our leadership position in the California CHP market," stated Darren Jamison, president of Northern Power. "We look forward to providing more commercial clients in Northern California with exceptional power systems, services and products."

System Qualifies for CPUC Rebate

By recovering waste heat from the engine's exhaust system and using it to meet the building's heating and cooling needs, the power system's overall efficiency will increase substantially. The higher fuel efficiencies to be realized by the CHP system qualify it for an incentive rebate from the Self-Generation Incentive Program of the California Public Utility Commission (CPUC) that would reduce the installed cost of the system by over 15%. Established in 2001, the Program encourages on-site generation in order to reduce peak demand and avoid rolling blackouts such as those experienced by California in recent years.

Key Benefits

Mark Novack at AEGON USA stated: "We expect Northern Power's CHP system to help us achieve three key objectives: to strengthen our environmental commitment, deliver annual energy savings, and increase the competitiveness of AEGON's property in the downtown commercial office market." Novack added, "We chose Northern Power to design and implement the system due to their excellent reputation in California for providing reliable cogeneration systems."

"We are pleased to have been selected by AEGON and Lowe Enterprises to install this solution for its downtown San Francisco landmark," stated Charles "Chach" Curtis, Vice President of Onsite Sales at Northern Power. "This system will offer Lowe greater control over energy use at the Transamerica Pyramid by providing them with a solution for generating their own reliable, efficient and cost-effective onsite power."

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11.02.2006

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