

Tecogen Signs Gas Company Partner Creating Strong Synergies for Both Parties

WALTHAM, Mass., March 23, 2016 /PRNewswire/ -- Tecogen® Inc. (NASDAQ: TGEN) is pleased to announce the company has executed an agreement with a gas company ("Gas Partner") to bring efficient ultra-clean gas engine-driven heating and cooling systems to their customers. The exclusive partnership includes a commitment to joint marketing, dedicated local sales resources from the Gas Partner, qualified lead generation and specific project development hurdles.



Speaking about the partnership, Benjamin Locke, Tecogen co-CEO noted, "Tecogen's ultraclean gas-powered solutions will help displace electricity demand from large facilities and developments in the area, a good thing for any region where electricity is still predominantly produced using oil or coal."

The initial partnership agreement focuses on Ilios® water heaters and TECOCHILL® chillers. Mr. Locke added, "We have been vocal about our growth initiatives and this partnership is the first of what we hope will be many similarly structured gas company selling agreements for other territories. The announcement aligns with our stated intent to expand our selling geography by carefully selecting appropriate regional partners and first introducing our heat pumps and chillers to a territory before bringing in cogeneration."

Speaking about the partnership synergies, Mr. Locke emphasized, "Gas companies are natural partners for Tecogen as our equipment offers significant value to gas company customers while ensuring a steady demand of gas for the gas partner. Tecogen equipment can also help gas companies grow their customer base by offering customers a gas powered solution for their energy needs, reducing their demand on the electric grid."

The leading gas engine-driven chiller on the market, a TECOCHILL cuts costs by as much as 30-60% when compared to conventional electric chillers and helps facilities avoid peak-demand electric charges. As an added bonus, additional savings can be realized by recovering waste heat from engines for heating needs like domestic hot water or space heat. TECOCHILL customers can rest easy because their chillers will continue running on minimal

electric load from emergency generators in case of electric blackout, all while being fed by reliable gaseous fuel—a significant benefit when considering the potential costly impact of equipment downtime in warm climates.

Similarly, the Ilios® heat pump provides twice the efficiency of a conventional boiler while delivering 400,000–600,000 BTU/hour of hot water. This hot water is ideal for space heating, precision industrial applications, swimming pools and spas and is delivered while producing near-zero emissions and cutting a facility's carbon footprint in half. An Ilios unit can also be used as a dedicated heat recovery chiller to provide simultaneous heating and cooling, offsetting boiler usage by as much as 50% and peak shaving the central chiller—creating a significant savings for the facility. The Ilios line of water heaters meets the needs of customers by providing a reliable and consistent supply of hot water at a fraction of the price of conventional boiler equipment.

Both Ilios water heaters and TECOCHILL chillers come fitted with the cleanest exhaust aftertreatment system on the market today, Tecogen's patented state-of-the art Ultera[™] technology. When coupled with Ultera emissions control Tecogen's equipment operates with near-zero emissions of harmful criteria pollutants (NOx and CO), producing emissions on par with those of ultra-clean fuel cells and central generation power plants.

About Tecogen

Tecogen manufactures, installs, and maintains high efficiency, ultra-clean, combined heat and power products including natural gas engine-driven cogeneration, air conditioning systems, and high-efficiency water heaters for residential, commercial, recreational and industrial use. The company is known for cost efficient, environmentally friendly and reliable products for energy production that, through patented technology, nearly eliminate criteria pollutants and significantly reduce a customer's carbon footprint.

In business for over 20 years, Tecogen has shipped more than 2,300 units, supported by an established network of engineering, sales, and service personnel across the United States. For more information, please visit www.tecogen.com or follow us on Twitter, Facebook, and LinkedIn.

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Forward Looking Statements

This press release contains forward-looking statements under the Private Securities Litigation Reform Act of 1995 that involve a number of risks and uncertainties. Important factors could cause actual results to differ materially from those indicated by such forward-looking statements, as disclosed on the Company's website and in Securities and Exchange Commission filings. The statements in this press release are made as of the date of this press release, even if subsequently made available by the Company on its website or otherwise. The Company does not assume any obligation to update the forward-looking statements provided to reflect events that occur or circumstances that exist after the date on which they were made.

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