

Capstone Turbine Corporation

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Capstone Turbine's Australian partner commissions energy project for major oil and gas producer

Capstone Turbine Corporation (NASDAQ:CPST) announced Tuesday that its Australian partner has commissioned an innovative energy project for Santos Limited, one of the country's largest independent oil and gas producers in the Asia-Pacific region.

The project required Optimal Group Australia, Capstone's exclusive Australian distributor, to deliver a stand-alone system to power one of the Santos remote oil production facilities as it wanted to replace the company's aging and inefficient reciprocating engine-based power system at the Tarbat Oil Production Facility in Southwest Queensland.

In addition, Santos also wanted to achieve significant emissions reductions as part of the energy system upgrade. Inclusive in this requirement, was the need to incorporate solar photovoltaic (PV) into the remote system which supplies energy across Australia and Asia.

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In a statement, Capstone said the new energy system consists of a C1000S one-megawatt microturbine fueled by on-site natural gas from the facility.

The system also includes a 250-kilowatt (kW) solar array and Optimal's proprietary Grid Stability Module (GSM) to stabilize the electrical load to address the project complexity of the new energy system which operates under significant load fluctuations resulting from the cyclical electrical loads that fluctuate as much as 250 kW every eight seconds.

The system has cut the fuel requirements by 50% and as such is expected to reduce annual fuel costs for the facility by \$1 million a year, delivering a very attractive financial payback for the project.

As the system reduces Santos' natural gas use by half, it also reduces their carbon emissions by half for the site, while also dramatically decreasing the annual system maintenance required.

In developing this solution, Optimal incorporated its GSM into the system architecture. The GSM is a sophisticated rapid load response module incorporating proprietary Ultra-Capacitors and conventional lead-acid battery storage. The capacitors rapidly charge and discharge, thereby "absorbing" the significant load fluctuation without losing the available energy.

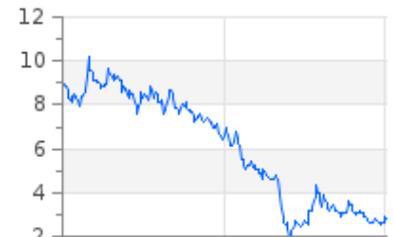
"Capstone microturbines are well suited to address variable loads, but in this case, the frequency and the magnitude of the fluctuation required further mitigation. Incorporating the Optimal GSM smoothed the fluctuations to a level more suited to the long-term operation of the turbines," said Capstone CEO Darren Jamison

"As a result, Optimal was able to offer not only a smaller and more efficient generation solution to Santos, but they were

Price: 2.79

Market Cap: \$25.44 m

1 Year Share Price Graph



February 2019 August 2019 February 2020

Share Information

Code: CPST

Listing: NASDAQ

52 week	High	Low
	10.5	1.89

Sector: Hardware & electrical equipment

Website: www.capstoneturbine.com

Company Synopsis:

Capstone Turbine Corporation is the world's leading producer of highly efficient, low-emission, resilient microturbine energy systems. Capstone microturbines serve multiple vertical markets worldwide, including natural resources, energy efficiency, renewable energy, critical power supply, transportation and microgrids.

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also able to incorporate solar PV to further reduce the customer's cost of electricity and lower the carbon footprint."

Capstone, based in Van Nuys, California, offers a product line-up of microturbines that can produce anywhere from 30 kilowatts to 10 megawatts of power, operating on a variety of gaseous or liquid fuels. To date, Capstone has shipped over 9,000 units to 73 countries

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