



*International Power  
Technology*

**CHENG** | power  
systems

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## **JOINT PRESS RELEASE**

### **INTERNATIONAL POWER TECHNOLOGY, INC. (IPT) TO BE EXCLUSIVE CHENG CYCLE™ AND CLN™ TECHNOLOGY LICENSEE**

**SAN JOSE, California – February 14, 2003** – IPT ([www.intpower.com](http://www.intpower.com)) announced today that it has signed an agreement with Cheng Power Systems (CPS) of Mountain View, California to license all of Cheng Power Systems' technology. Under the terms of the Agreement, IPT will have the exclusive rights in North America and other markets to all of CPS's steam injection technology as it relates to the Rolls Royce/Allison 501K and Kawasaki M1A-13 lines of gas turbines.

The Cheng Cycle™ technology is a proven technology that has been continuously upgraded through the Advanced Cheng Cycle™, Cheng Boost™ and Cheng Low-NOx™ (CLN™) technologies. The first of 48 Cheng Cycle™ patents was issued in 1976, and since that time over 130 Cheng Cycle™ turbines have been delivered worldwide. The Cheng steam injection technologies embody thermodynamic and controls principles which yield low NOx and high electrical efficiencies for the Rolls Royce/Allison 501-K line of aero-derivative gas turbines.

The CLN™ patents were issued in 2002, and the system is in commercial operation on the GE Frame 6B combustion turbine. It has also been tested on a Westinghouse 501-D5 combustion turbine in commercial cogeneration service. The Cheng Low NOx (CLN™) emissions reduction technology for the Rolls Royce/Allison 501K line of gas turbines is in advanced application engineering. In addition to the commercial engines that were successfully operated, atmospheric testing of the CLN™ technology has produced emissions levels as low as 1 ppm NOx and 2 ppm CO, with less than 1 ppm VOC and THC, on actual engine hardware. These results were achieved without additional emissions reduction devices such as selective catalytic reduction

(SCR). Further CLN™ testing is planned for 2003 to finalize the ultra-low NOx and CO system design for the Rolls Royce/Allison 501-K line of aero-derivative combustion turbines. When completed, the CLN™ technology could revolutionize emissions control techniques for gas turbines of all sizes worldwide.

“International Power Technology is uniquely qualified and positioned in the marketplace to integrate the low emissions CLN™ technology into the Rolls Royce/Allison 501-K line of aero-derivative gas turbines”, said Dr. Dah Yu Cheng, Founder and Chairman of Cheng Power Systems. “We chose IPT to be the exclusive licensee for the Rolls Royce/Allison 501-K and Kawasaki M1A-13 lines of gas turbines because of IPT’s experience and reputation. IPT has been in the power generation business for over 28 years and they are the most qualified company for this work.”

“We are very impressed with the low NOx and CO emissions rates that have been achieved in the initial testing stages of the CLN™ technology. One ppm NOx and two-ppm CO without SCR is low enough to meet Best Available Control Technology (BACT) in every air district in the US,” says Randy Turley, President and CEO of IPT. “We believe that if these low emissions rates can be achieved on gas turbines under normal operating conditions that it could revolutionize the industry.”

IPT was formed in 1974 to develop gas turbine steam injection technology. In 1984 IPT co-developed with Allison Gas Turbines of Indianapolis, Indiana, the Allison 501-KH gas turbine. Headquartered in San Jose, California, IPT’s primary business today is project development, operations, maintenance, and management of independent power projects. Additionally, IPT provides comprehensive development services to developers and financiers including engineering, project management, gas turbine and HRSG power island supply, and controls integration.

Cheng Power Systems located in Mountain View, California, is a power generation technology company that has developed proprietary systems that improve output, efficiency and emissions of power generating plants. CPS’ patented technologies include: Cheng Cycle™, CLN™, Cheng Boost™ and Advanced Cheng Cycle™. These patented technologies utilize steam injection for power augmentation and/or NOx, CO and VOC/THC emissions control. Today, CPS licenses the Cheng technology to numerous licensees worldwide.