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For Immediate Release

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Romanian City to Deploy Echelon Energy Control Networking Technology That Helped It Save 28% on Energy Costs in Pilot

City of Brasov Implements Echelon-based Smart Street Lighting System for Its 18,000 Lamps; Saves Additional 40% on Maintenance Costs

San Jose, California, June 21, 2011 - The City of Brasov, Romania, will deploy over the next three years Echelon energy control technology for smart, networked street lighting systems citywide, Echelon (NASDAQ: ELON) announced today. The decision follows the city's yearlong test of the technology in a neighborhood that led to the city saving 28% on its energy bills and 40% on maintenance costs. Brasov also achieved more control over its streetlights and gained the ability to efficiently distribute power to other applications on the grid.

Echelon's Romanian partner, Flashnet, built the intelliLIGHT[®] system by combining Echelon's power line transceivers at every light, Echelon's SmartServers for segment control and enterprise connectivity, and Flashnet's central management software. The integrated system is transforming the city's street lighting network into a multi-functional

energy control network. Allowing control decisions to take place closer to the street improves efforts to balance and control power use and to supply continuous power to other applications such as video surveillance and Wi-Fi access points. Prior to adding Echelon's technology, these other applications would have switched off along with the street lights.

"We couldn't be more pleased with the early results of our new street lighting deployment," said Miklos Gantz, vice-mayor of Brasov. "We have cut our energy costs by nearly 30 percent without even changing the existing lamps or ballasts. Based on this success, our plan over the next three years is to deploy this solution for the entire Brasov street lighting system, which includes 18,000 luminaries."

The system's central control software gives Brasov individual control and feedback from the luminaries. The city can also use the street lighting grid to supply energy day and night to different applications -- without adding new wiring. Additionally, the Echelon solution allows for future functionality, including remote notifications and alarms and real-time monitoring of the street lights' active/reactive energy use.

Flashnet integrates Echelon powerline transceivers into its intelligent lamp controllers and electromagnetic as well as electronic ballast control. The robust and stable solution transforms Brasov's extremely dated streetlights into a next-generation energy control infrastructure.

"We have chosen Echelon's technology because of its reliability, features and extremely short development time to get a turnkey ready solution to the market," Flashnet CEO Lorand Mozes said.

"Deploying intelligent streetlights is fast becoming a critical mandate for governments around the world, and Eastern European cities such as Braslov are already reaping the cost and efficiency benefits from establishing these energy control networks," said Anders Axelsson, senior vice president of sales and market development for Echelon's

Commercial Solutions. “By working with technology from Flashnet and Echelon, Brasov has become much more effective in managing its energy infrastructure and is well on its way to building a smart grid of the future.”

Five key smart grid applications run on Echelon’s energy control network: smart metering, distribution automation, street lighting control, renewables integration and building energy management.

Echelon's power line signaling technology and SmartServer segment controllers for smart, distributed control of street lighting systems are becoming the de facto standard for managed street lighting systems worldwide. Markets in [China](#) and other parts of [Europe](#) are recognizing the advantages of Echelon intelligent distributed control solutions using [power line communications \(PLC\)](#).

Studies have shown that as much as 40% of city energy budgets go toward lighting streets and that a street light is responsible for emitting an average of 200 kg of CO2 every year. Energy savings, carbon reduction, lower operating costs and a general push by state and local governments for greener cities are driving the decision to move to advanced control networking technology that enables cities to dynamically manage their lamps to save significant energy and reduce their carbon footprints.

About Echelon Corporation

Echelon Corporation ([NASDAQ: ELON](#)) is the world's leading open-standard energy control networking company. Echelon technologies connect more than 35 million homes, 300,000 buildings and 100 million devices to the smart grid, and help customers save 20% or more on their energy usage. With more than 20 years of experience in energy control, Echelon delivers a wide range of innovative solutions to commercial and electric utility customers. More information about Echelon can be found at <http://www.echelon.com>.

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