



NEWS RELEASE

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SAN DIEGO SELECTED AS TARGET MARKET FOR LARGEST TRANSPORTATION ELECTRIFICATION PROJECT IN U.S. HISTORY

U.S. Department of Energy Chooses ECOTality's eTec to Implement Project

SAN DIEGO, Aug. 5, 2009 – [San Diego Gas & Electric](#) (SDG&E), [San Diego Association of Governments](#) (SANDAG) and [Electric Transportation Engineering Corporation](#) (eTec) today announced that eTec, a leader in the research, development and testing of advanced transportation and energy systems, has been selected by the [U.S. Department of Energy](#) to implement the largest transportation electrification project in U.S. history through a \$99.8 million grant.

eTec, a subsidiary of [ECOTality, Inc.](#) (OTCBB: ETLY), is partnering with [Nissan North America](#) to deploy up to 5,000 electric vehicles and establish charging infrastructure in five key markets, including San Diego, to develop, implement and study techniques for optimizing the effectiveness of charging infrastructure supporting widespread electric vehicle deployment.

“By studying lessons learned from electric vehicle operations and the infrastructure supporting these first 5,000 vehicles, the project will enable the streamlined deployment of the next 5 million electric vehicles,” said Don Karner, president of eTec. “The U.S. Department of Energy has shown great foresight in funding a project that deploys the largest number of vehicles and infrastructure to make America electric vehicle ready.”

SDG&E’s role will be to evaluate demand and energy impacts of electric vehicles on the electric grid, potential electric vehicle rate structures, smart grid interconnection requirements, distribution grid impacts of electric vehicle charging demand and provide consumer education. Local governments’ roles will be to streamline the charger installation process, identify locations for public charging infrastructure and to support non-charging infrastructure, such as first responder training.

“Developing charging infrastructure is the critical link in making electric vehicles commercially viable,” said Debra L. Reed, president and chief executive officer of San Diego Gas & Electric. “This funding award means the San Diego region is one step closer to becoming “plug-in ready” and a national center for clean technology that will help achieve our nation’s goals of energy independence and reduced greenhouse-gas emissions. This project will foster new jobs and opportunities in the region as we become a pioneer launch for these advanced vehicles.”

The proposed project will collect and analyze data characterizing vehicle use and charging patterns in diverse topographies and climate conditions, evaluate the effectiveness of charging infrastructure, and conduct trials of various revenue systems for public charge infrastructure. By testing and analyzing electric vehicle usage and charging patterns in a simulated mature charging environment, this project will foster the expansion of electric vehicle infrastructure that will eventually be available for widespread electric vehicle use throughout the country. The project is valued at approximately \$199.6 million, as federal funding for the project will be matched by project participants.

It is anticipated that more than 750 new jobs will be generated by the proposed project by 2012. In supporting the market launch of the Nissan’s LEAF zero-emission electric vehicle, it is expected that more than 5,500 new positions will be in place by 2017 as a direct result of the project.

“Increasing the number of electric vehicles and charging stations fits with the SANDAG overall energy strategy for the region,” said Gary Gallegos, SANDAG Executive Director. “The strategy calls for adding cleaner fuels as well as cutting our dependence on foreign oil – electric cars will help us accomplish those goals.”

“In support of ECOTality’s commitment to enhancing America’s energy independence, the proposed project will accelerate the market acceptance of electric transportation and support President Obama’s goals for job creation and electric vehicle deployment,” said Jonathan Read, president and chief executive officer, ECOTality. “We’re thrilled to enter the San Diego market and thank SDG&E, the San Diego Association of Governments, San Diego Clean Fuels Coalition, San Diego Miramar College, University of California-San Diego, and the Center for Sustainable Energy for their support and partnership in the proposal submitted to the U.S. Department of Energy.”

Dependent upon contract negotiations, up to 1,000 Nissan electric vehicles will be deployed in San Diego and charging infrastructure will be installed at residential, commercial and public locations. Markets in four other states will each receive up to 1,000 vehicles. Those states include Arizona, Oregon, Washington and Tennessee. Markets were evaluated and chosen based on favorable regulatory environment, strong market demographics, climate differentials, topographies, and transportation patterns.

Once eligible consumers join the pilot project, eTec residential charging equipment will be installed at the consumer’s home at no cost to the resident. It is estimated that each Nissan electric vehicle will save as much as 436 gallons of gasoline per year compared with a standard internal combustion engine sedan. For the entire fleet of 5,000 Nissan electric vehicles that will be deployed, the fuel savings are calculated to be as high as 2,180,000 gallons of gasoline (51,900 barrels) per year.

For more information and to express interest in the newly unveiled Nissan LEAF zero-emission electric vehicle, visit <http://www.nissanusa.com/leaf-electric-car>.

SDG&E is a regulated public utility that provides safe and reliable energy service to 3.4 million consumers through 1.4 million electric meters and more than 840,000 natural gas meters in San Diego and southern Orange counties. The utility’s area spans 4,100 square miles. Exceptional customer service is a priority of SDG&E as it seeks to enhance the region’s quality of life. SDG&E is a subsidiary of [Sempra Energy](#) (NYSE: SRE), a Fortune 500 energy services holding company based in San Diego.

The San Diego Association of Governments (SANDAG) is the San Diego region's primary public planning, transportation, and research agency, providing the public forum for regional policy decisions about growth, transportation planning and construction, environmental management, housing, open space, energy, public safety, and binational topics. SANDAG is governed by a Board of Directors composed of mayors, council members, and supervisors from each of the region's 18 cities and the county government.

Electric Transportation Engineering Corporation (eTec), a subsidiary of ECotality (OTCBB: ETLY), is a recognized leader in the research, development and testing of advanced transportation and energy systems. With over two decades of electric transportation experience, eTec has been involved in every electric vehicle initiative in North America since the 1990's. Utilizing its patented industry-leading charging algorithm, eTec operates the Minit-Charger line of battery fast-charge systems for on-road electric vehicle, transit, material handling and airport ground support applications. For more information, please visit www.etecevs.com or www.minit-charger.com.

Editor's Note: *More detailed information about this announcement, including FAQs, is available at www.ecotality.com. Broadcasters: video and audio interviews are available for download at www.ecotality.com.*

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