



FOR IMMEDIATE RELEASE

The New Power Company Announces Revolutionary Energy-Saving Program that Gives Consumers Remote Control of their Thermostats via the Internet

Internet-Based Pilot Program Gives Remote Access Via Any Internet-Enabled Device, Including PCs, Mobile Phones, and PDAs

Program Will Enable Houston Area Residents To Better Manage Energy Costs

PURCHASE, New York, April 24, 2001 – Some 500 Houston-area households will soon be part of an energy-saving pilot program that enables consumers to control their thermostats via the Internet. The program will allow thermostats to be adjusted from almost anywhere, with any Internet-enabled device. The program will be launched this summer by The New Power Company™, a subsidiary of NewPower Holdings, Inc. (NYSE:NPW), and its partners in Internet Home Alliance. For the typical household, the three-month pilot could result in up to 10-15 percent utility bill savings based on personal usage and home size.

Today NewPower signed separate agreements with Shadowpack, a wireless application design/build firm, and Internet Home Alliance members Coactive Networks and Sears, Roebuck and Co. (NYSE:S) to launch the pilot program, which will run from early June to the end of September – the peak season for energy consumption. Installations will begin in early May.

NewPower Connections' remote energy management system will give customers unprecedented access to their air conditioning and heating systems from any Internet-accessible device. Energy management functionality will be provided from a number of access points, including a powerful Web interface, and Internet-enabled devices such as "smart" mobile phones and PDAs.

NewPower's energy management solution will benefit pilot participants in a number of ways. For example, a family on vacation can use remote thermostat access to save money while away. The family's thermostat may have been set at 72 degrees – an unnecessary expense when no one is at home. The thermostat temperature can be adjusted to a more economical 80 degrees using hotel Internet access. Subsequently, the setting can be returned to 72 degrees from a Palm VII on the way home from the airport, thereby eliminating the dreaded end of vacation "hot house" syndrome.

In order to maximize the available savings, NewPower asks for the ability to remotely adjust a customer's thermostat settings a few degrees between the peak hours of noon and 5 p.m. on weekdays. This adjustment – barely noticed by most consumers – has a tremendous effect on expensive peak energy supply. By reducing usage a small amount during periods of peak demand, customers can save additional money and help conserve energy resources. However, with NewPower, the customer always remains in control and may instantaneously override the adjustment at any time from the Web or a wireless device.

NewPower will also be offering numerous "concept" products to the pilot participants. As part of the pilot, households will be asked to complete a number of short surveys about how they use the system and their feelings about new product concepts.

“NewPower is delivering on the promise of deregulation with innovative solutions to help our customers control their energy costs,” said H. Eugene Lockhart, The New Power Company’s president and chief executive officer. “Houston area residents will be the first in the country to help us test this technology, and, at the same time, do their part to conserve energy. Already we’ve been overwhelmed by the enthusiastic response from Houston area customers who are looking for innovative alternatives to manage their energy needs.”

Sears will install and service the Energy Management System throughout the duration of the pilot program. Their professional installers will complete the system installation in a matter of hours and provide helpful user instruction. Coactive Networks will provide the heart of the system, the residential gateway and telemetry e-services network. This first-of-its-kind technology uses home networking to enable real-time monitoring and control of devices over the Internet without requiring any new wires in the home. Shadowpack has built the system’s Web and wireless user interfaces and will provide the back-end infrastructure necessary to carry out customer requests. Shadowpack’s services allow for seamless connectivity from almost any Internet-accessible device.

Pilot households will meet the following criteria:

- Resident of the greater Houston metropolitan area
- Single family dwelling with central heating/air
- Web access at home or work
- At least one head of household working outside the home

Those interested in participating as a pilot household should send an email to connections@newpower.com or call NewPower Connections at (914) 697-2487.

The New Power Company also announced that it has signed on more than 11,500 residential customers in Texas since it began to market electricity in the state in early March. Consumers who need additional information about NewPower or who want to sign up for other intelligent energy services can visit the Company’s web site at www.newpower.com or call (866) 841-1163.

About NewPower Holdings, Inc.

NewPower Holdings, Inc. (NYSE: NPW), through its subsidiary, The New Power Company, is the first national provider of electricity and natural gas to residential and small commercial customers in the United States. The Company offers consumers in restructured retail energy markets competitive energy prices, pricing choices, improved customer service and other innovative products, services and incentives.

About Internet Home Alliance

Internet Home Alliance, Inc. is a non-profit association of leading companies working together to advance the home technology industry by developing the ecosystem needed to support the delivery of Internet lifestyle solutions and educating consumers on the value of an Internet lifestyle. Internet Home Alliance is an open alliance that encourages cross-industry participation. Currently, 23 companies participate in the Alliance. Principal members include Best Buy Co., Inc., Cisco Systems, Inc., General Motors, Invensys, The New Power Company, Panasonic (Matsushita Electric Corporation of America), Sears, Roebuck and Co. and Sun Microsystems. For more information on Internet Home Alliance, visit www.internethomealliance.com.

About Sears, Roebuck and Co.

Sears, Roebuck and Co. is a leading U.S. retailer of apparel, home and automotive products and services, with annual revenue of more than \$40 billion. The company serves families across the country through approximately 860 full-line department stores, approximately 2,100 specialized retail locations, and a variety of online offerings accessible through the company's web site, www.sears.com. Sears, Roebuck and Co. is the majority owner of Sears Canada Inc.

About Coactive Networks

Coactive Networks extends Internet access to every device, appliance, control system and computer — Connecting Networks to the Real World™. By providing a central link from these devices to the Internet, the Coactive Connector® and Coactive Router product families deliver a new class of telemetry e-services to homes and businesses worldwide. The leader in Internet telemetry, Coactive Networks delivers affordable, scalable connectivity with a highly integrated third-generation residential gateway platform and the patent-pending distributed object technology of the IOConnect Architecture™. Coactive Networks is a privately held corporation based in Sausalito, California. More information on Coactive Networks can be found at www.coactive.com.

About Shadowpack Inc.

Shadowpack creates wireless experiences for businesses desiring imaginative, substantive ways to interact with their customers. From remote energy management solutions to wireless home automation, Shadowpack helps leading edge companies put the power of anywhere in their customers' hands. Shadowpack products include the Wireless Automation Tools and Technologies (WATT) engine. Based in Dublin, Ohio, Shadowpack can be found on the Web at www.shadowpack.com.

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