



FOR IMMEDIATE RELEASE

HOW DOES THE NEW POWER COMPANY DELIVER ON THE PROMISE OF ENERGY RESTRUCTURING?

NewPower Conducting Three Innovative Energy-Saving Pilot Programs In Philadelphia To Help Consumers Control Their Energy Costs

PURCHASE, NY -- May 31, 2001 -- Some 300 Philadelphia households will soon participate in three pioneering pilot programs that will test consumer s reaction to energy saving technology.

The programs will be launched next month by The New Power Company“, a subsidiary of NewPower Holdings, Inc. (NYSE:NPW), with technology and services provided by the Carrier Corporation, Shadowpack Inc., Coactive Networks, National Family Opinion Research (NFO) and Sargent Electric Company.

The three pilots consisting of 100 households each will include: a time-of-use metering pilot; an HVAC (heating, ventilation and air conditioning) load control pilot; and an interactive home gateway pilot. The interactive home gateway pilot will allow consumers to remotely access their thermostat from any Internet-enabled device.

As NewPower has advocated since its inception, energy restructuring leads to technological innovation, efficiency and environmental benefits, said H. Eugene Lockhart, The New Power Company s president and chief executive officer. These pilots are a wonderful example of control being shifted from the utility to the consumer. The nation s move to energy restructuring makes it possible for consumers to better manage their energy needs.

Here are additional details on each of the three pilots:

- Participants in pilot program A will have time-of-use meters installed in their homes. These meters record daily energy use and will enable NewPower to better understand typical energy consumption patterns.

- In pilot program B, the HVAC load control pilot, Carrier's Comfortstat™ programmable thermostat will be installed in 100 homes. The purpose of this pilot is to gauge customers' reaction to having NewPower remotely alter their thermostat setting by 2 to 6 degrees to help the homeowner better manage their energy usage and costs.
- Under pilot program C, NewPower's remote energy management system will allow consumers to change their thermostat setting from any Internet-accessible device, including a PC, smart mobile phone or PDA. However, unlike pilot B, the customer always remains in control and may instantaneously override the adjustment at any time from the Web or a wireless device.

Sargent Electric Company will install and service the energy management systems throughout the duration of the pilot programs. Their professional installers will complete the system installation in a matter of hours and provide helpful user instruction.

The pilot programs will run from early June to the end of September -- the peak season for energy consumption. Homeowners are currently being recruited by NFO Research, and, as part of the pilot, will be asked to complete a number of short surveys about how they use the system and their feelings about new product concepts.

Coactive Networks will provide the heart of the interactive home gateway system in pilot C. 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.

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 Carrier Corporation

Carrier Corporation, a subsidiary of United Technologies Corporation (NYSE:UTX), is the world's largest manufacturer of air conditioning, heating and refrigeration equipment for commercial, residential and transportation applications.

About Sargent Electric Company

Sargent Electric is a market leader in delivering metering and communications solutions to the home. Headquartered in Pittsburgh, Sargent Electric has provided over one million telephone, RF, CDPD, and powerline based solutions to homes and businesses across the country. Their Web enabled MeterOneSM suite of work management and reporting tools routinely manages over 300 million fields of data every day. Well positioned to deliver new and innovative services into the restructured energy market, Sargent Electric has processed over 3.5 million automated endpoints and communications devices since 1996. For more information on Sargent Electric, please visit the Company's Web site @<http://www.sargent.com>.

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 <http://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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