

## **\$80 Billion in Energy Efficiency, Renewable Energy, and Water Conservation Contracts Awarded by the U.S. Department of Energy**

Elk Grove Village, Illinois, December 22, 2008 – The Department of Energy (DOE) announced on December 18, 2008, the award of new Indefinite Delivery Indefinite Quantity (IDIQ) Energy Savings Performance Contracts (ESPCs) to sixteen Energy Service Companies (ESCOs). These contracts could result in up to \$80 billion in energy efficiency, renewable energy, and water conservation projects at federally-owned buildings and facilities. ESPCs help to meet the federal government's energy efficiency, water conservation, and renewable energy goals. Lime Energy's subsidiary, Applied Energy Management (AEM) has a long history of servicing ESCO's under previous IDIQ programs and anticipates continuing to do so under these new expanded efficiency contracts. The federal government is the largest single user of energy in the United States and these awards demonstrate a commitment to sound government stewardship by recognizing efforts to save energy, reduce federal energy costs, cut greenhouse gas emissions, bring more cutting-edge technologies to use, strengthen national security, and create a stronger economy.

"We applaud the federal government's commitment to conservation in an effort to reduce energy consumption, promote conservation and reduce greenhouse gas emissions," stated John O' Rourke, President and CEO of Applied Energy Management (AEM), a subsidiary of Lime Energy. "AEM has been serving ESCOs under previous IDIQ contracts for over 12 years. We are excited by the significant expansion of the program's size and scope, which we believe will enable us to continue to support our existing ESCO clients in the development and implementation of energy efficiency projects for the federal government. We also plan to develop or expand our relationships with the ESCO's recently added to the ESPC program. We especially look forward to incorporating our renewable energy construction experience in geothermal, solar and biomass in projects under the new program."

David Asplund, CEO of Lime Energy, commented "AEM has provided a comprehensive set of energy engineering and design build implementation services in the areas of conservation that include lighting, HVAC, water conservation and building envelope services to a number of the ESCOs awarded contracts under the new program. With offices in sixteen locations across the United States and a successful history of supporting the IDIQ contractor base, we believe we are well positioned for sustained growth in this market over the coming years."

For additional information please refer to the U.S. Department of Energy's press release, available at <http://www.energy.gov/news/6804.htm>.

### **About Lime Energy**

Lime Energy is a leading provider of energy efficiency solutions that enable our clients to reduce their energy-related expenditures and the impact of their energy use on the environment. Our clients include commercial and industrial businesses, property owners and managers and energy service companies serving government and educational institutions. Our core Energy Efficiency Services business provides energy engineering and consulting services as well as the development and implementation of energy efficiency lighting upgrade services, mechanical and

electrical conservation services, water conservation services and renewable energy solutions. Through our Energy Technology business, we also offer a proprietary line of intelligent controllers that provide continuous management of HVAC and lighting equipment using wireless communication technology in order to reduce energy usage and improve system reliability. The company's stock is traded on NASDAQ under the symbol LIME. Additional information is available at the company's website at [www.lime-energy.com](http://www.lime-energy.com) or by calling 847-437-1666.

## FORWARD-LOOKING STATEMENTS

This news release includes forward-looking statements within the meaning of the safe harbor provisions of the Private Securities Litigation Reform Act of 1995 including statements that reflect Lime Energy's current expectations about its future results, performance, prospects and opportunities. Lime Energy has tried to identify these forward-looking statements by using words and phrases such as "may," "expects," "anticipates," "believes," "intends," "estimates," "plan," "should," "typical," "preliminary," "hope," or similar expressions. These forward-looking statements are based on information currently available to Lime Energy and are subject to a number of risks, uncertainties and other factors that could cause Lime Energy's actual results, performance, prospects or opportunities in 2008 and beyond to differ materially from those expressed in, or implied by, these forward- looking statements. These risks are referenced in Lime Energy's current Annual Report on form 10-K or as may be described from time to time in Lime Energy's subsequent SEC filings; and such factors as incorporated by reference.

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