

Lime Energy completes energy efficiency lighting retrofit project at McDonald Packaging for a 24 percent power consumption reduction

McDonald Packaging officials cite both energy savings and improved quality of light

ELK GROVE VILLAGE, Illinois, Feb. 20, 2007 – A comprehensive energy efficient lighting retrofit project by Lime Energy (OTCBB: LMEC) at a large packaging materials warehouse and office in Santa Ana (Orange County), California, resulted in a 24 percent reduction in power consumption.

The energy reduction calculation at McDonald Packaging, Inc. was based on the same three-month period (August through October) before and after the retrofit, according to Don Artaserse, Vice President and Chief Financial Officer at McDonald Packaging.

“They handled everything very professionally and the way they handled it made me feel very confident in what they were doing for us,” Artaserse said of the Lime team. “I felt very good working with them.”

He said crews worked off shift, typically putting in as much as 16 to 18 hours a day to complete the job as quickly as possible with a minimum of inconvenience during the retrofit process that required less than three weeks.

Artaserse added that the result was close to the projections and that the quality of light clearly was an improvement.

“The lighting is much better than what we had before,” he said.

Artaserse said the 24 percent reduction in power consumption was based on a daily average of kilowatt hours consumed in the two three-month periods. Consumption for the full three months was 282,318 kilowatt hours in 2005 compared to 208,630 in 2006, while the daily average was 3,003 kilowatt hours in 2005 compared to 2,293 in 2006, or a 24 percent reduction.

“This project was an exciting project for us primarily because of the tremendously significant savings in energy and the resulting impressive savings on our customer’s electric bill,” said Dan Parke, President and Chief Operating Officer of Lime Energy.

The projected annual savings of approximately 316,000 kilowatt hours is the equivalent of removing 220 tons of carbon dioxide from the air – or the equivalent of removing 43 passenger cars from the road for a year. It also represents the amount of electricity required to power 26 average households for one year.

Payback was 1.1 years on the project in the facility which includes 120,000 square feet of warehouse space and another 15,000 square feet of office space. Return on investment was 92 percent. The retrofit was eligible for nearly \$26,400 in rebates from Southern California Edison Co.

Burke Ewers of Lime Energy’s Glendora (California) office was project manager for the retrofit design and installation.

About McDonald Packaging, Inc.

McDonald Packaging, Inc. employs 140 people and operates two shifts at its Santa Ana location. The company is a manufacturer with a product mix consisting of large boxes, bulk bins, die-cuts and label laminated items, wood crates, and foam fabricated interior packaging materials. It is also a distributor of supplies products for innerpacking, sealing and shipping. Established in 1983, the company also maintains manufacturing locations in California.

About Lime Energy

Lime Energy, (“Less is More Efficient”) is one of the nation's leading energy efficiency technology and engineering companies. Lime bring together more than 75 years of experience in design, engineering and installation of energy efficient solutions providing customers with guaranteed saving results and high returns on invested capital. By efficiently reducing the amount of electricity Lime customers use, they are able to both save money and become better corporate citizens through the reduction of unnecessary greenhouse gas emissions (“Nothing Greener than Energy Not Used”). Lime Energy is headquartered in Elk Grove Village, Illinois with offices in New York, Texas, Utah, and throughout California. The company’s stock is traded on the OTC Bulletin Board under the symbol LMEC. Additional information is available at the company's website at <http://www.lime-energy.com> or by calling 847-437-1666.

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