



ESCO Announces Electric AMI Selection at PG&E

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ST. LOUIS, March 12 /PRNewswire-FirstCall/ -- ESCO Technologies Inc. (NYSE: ESE) today announced that Pacific Gas and Electric Company (PG&E) has selected ESCO's Aclara RF Systems Inc. to provide additional electric advanced metering infrastructure (AMI) products for PG&E's SmartMeter(TM) Program.

PG&E began evaluating Aclara's RF electric solution in June 2007 with a 2,000 unit field trial intended to demonstrate and validate the capabilities of Aclara's electric RF fixed network. The successful performance of this technology throughout the field trial was a significant factor in PG&E's decision to expand the deployment of this product.

PG&E has ordered 88,000 Aclara RF electric devices to be installed in the Central Valley region of northern California, which extends from Modesto to Sacramento. These units will include a ZigBee(R) connector as well as an interface to a connect / disconnect function integrated in the meter. PG&E has indicated it is their intent to order a significant quantity of Aclara RF electric AMI devices throughout 2008, in addition to the nearly 400,000 TWACS(R) power-line based electric AMI devices being installed in the Bakersfield and Vacaville areas.

This electric deployment is in addition to PG&E's ongoing gas AMI installations utilizing Aclara products. The RF electric units will operate under PG&E's installed STAR Network AMI system which currently manages data from over 200,000 gas meters already installed in the Central Valley.

Aclara RF Systems is currently under contract with PG&E to provide a potential 4.1 million gas units over the life of the contract. In 2007, Aclara received orders for over 350,000 gas units (\$25.4 million), and during fiscal 2008 to date, Aclara has received orders for approximately 500,000 additional gas units (\$32.4 million) to be delivered in 2008.

This initial RF electric order brings the combined number of Aclara electric and gas AMI units under contract to greater than 1.3 million, with an expectation of additional orders, both gas and electric, over the remainder of fiscal 2008.

The Aclara STAR Network employs a secure, licensed radio frequency to transmit and receive data at regular intervals for numerous utility customers across North America. Compatible with gas, water, and electric meters, the STAR Network offers a proven-at-scale, redundant system architecture that ensures data security and reliability.

Gary Moore, President of Aclara RF Systems, commented, "We are very pleased with the performance of our suite of new product offerings, and proud of the fact that PG&E will deploy Aclara's AMI technology for its electric as well as gas requirements in the Central Valley. We believe that this decision will allow PG&E to cost-effectively expand its industry leading AMI system and leverage its present fixed-network infrastructure while meeting the requirements of its customers for energy-efficient utility solutions today, and well into the future."

Vic Richey, ESCO's Chairman and Chief Executive Officer, commented, "While respecting PG&E's decision last June to request information from other vendors and evaluate potential future functionality requirements for the electric portion of its service territory, we never wavered in our support of helping PG&E achieve its stated AMI goals. Throughout this ongoing evaluation process, we have continued to invest time and resources in new products and innovative ideas, which resulted in the successful expansion of our product functionality and performance at such a level that enabled PG&E to select our Aclara offering for its deployment in 2008. Although PG&E has not concluded its evaluation of competing electric AMI technologies, we believe this decision to deploy our products during 2008 is a major milestone and will allow us to demonstrate on a large scale the features and benefits that our hybrid electric solution offers."

Forward-Looking Statements

Statements in this press release regarding the amounts and timing of fiscal 2008 and beyond electric or gas product deliveries to PG&E, the ultimate outcome of PG&E's ongoing assessment of electric AMI technologies and any other written or oral statements which are not strictly historical are "forward-looking" statements within the meaning of the safe harbor provisions of the federal securities laws. Investors are cautioned that such statements are only predictions and speak only as of the date of this release, and the Company undertakes no duty to update. The Company's actual results in the future may differ materially from those projected in the forward-looking statements due to risks and uncertainties that exist in the Company's operations and business environment including, but not limited to: the risk factors described in Item 1A of the Company's Annual Report on Form 10-K for the fiscal year ended September 30, 2007; actions by the California Public Utility Commission; PG&E's Board of Directors or PG&E's Management impacting PG&E's AMI projects; PG&E's evaluation of other technologies to meet their requirements for the electric portion of its service territory; the success of the Company's competitors; changes in or the effect of the Federal Energy Bill; the timing and content of purchase order releases under the PG&E contracts; the Company's successful performance of the PG&E contracts; weakening of economic conditions in served markets; changes in customer demands or customer insolvencies; competition; intellectual property rights; technical difficulties; delivery delays or defaults by customers; termination for convenience of customer contracts; timing and magnitude of future contract awards; performance issues with key customers, suppliers and subcontractors; labor disputes; and changes in laws and regulations.

About Aclara

The Aclara brand represents the industry's leading fixed-network AMI/AMR technologies and MDM software serving water, gas, and electric utilities worldwide. While Aclara is the singular brand and identity, the Company retains the known technology brands of DCSI (TWACS(R)), Hexagram, Inc. (STAR(R) Network), and Nexus Energy Software (Energy Vision and ENERGYprism). These three companies operate as Aclara Power-Line Systems Inc., Aclara RF Systems Inc., and Aclara Software Inc., respectively. Further information regarding Aclara is available on the Company's web site at <http://www.AclaraTech.com>.

About ESCO

ESCO, headquartered in St. Louis, is a proven supplier of special purpose utility solutions for electric, gas, and water utilities, including hardware and software to support advanced metering applications and fully automated intelligent instrumentation. In addition, the Company provides engineered filtration products to the aviation, space and process markets worldwide and is the industry leader in RF shielding and EMC test products. Further information regarding ESCO and its subsidiaries is available on the Company's web site at <http://www.escotechnologies.com>.

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