



Sylvan Source (SSI) Announces Successful Pilot Test with California Utility, Employing Clean In Place (CIP)

August 6, 2018 – San Carlos, CA. SSI announces a successful pilot test has been concluded with Southern California Edison (SCE) in which SSI's patent-pending CIP mechanism was deployed enabling SSI's Core™ water treatment system to operate continuously, treating cooling tower blowdown effluent directly without requiring any pretreatment systems or chemicals.

Distillate with high purity was produced from the SSI Core: specific conductance was 2.9 microS/cm (corresponding to a calculated TDS of 1.9 ppm); and all analyzed metals were below detection limits.

An independent benchmark conducted for SSI and SCE concluded that the operating cost for a commercially deployed SSI Core + CIP water treatment system would be less than ½ the OpEx of SCE's current system for treating their cooling tower blowdown water.

Currently, SCE treats cooling tower blowdown with a high efficiency reverse osmosis (HERO) system which requires four pretreatment systems, including a precipitator/clarifier, filtration system, weak acid cation (WAC) softener and a decarbonator, and pretreatment chemicals which are added prior to each pretreatment system.

Laura Demmons, SSI Chairman and CEO, stated that "SCE has again demonstrated leadership by pushing to see what is possible in reducing costs and complexity, reducing chemical use, improving operational efficiencies and improving clean water recovery. We are very fortunate to have had SCE's support for this pilot test!"

SSI will conduct additional pilot tests for other water treatment applications before the end of 2018.

About Sylvan Source®

Sylvan Source, Inc. develops novel industrial and municipal water treatment and thermal energy capture, transfer, release and storage systems. The company's technology platforms are applicable to a broad range of industrial processing and thermal energy management applications, as well as markets with complicated or challenging water treatment opportunities. SSI's technologies incorporate fundamental cost structure advantages with significant energy and process efficiency gains. SSI is headquartered in San Carlos, California and is privately held.

For all industrial waste stream applications benchmarked to date, SSI's cost structure has been independently validated at approximately:

- 50% lower CapEx than all conventional membrane or thermal technologies
- 50% lower OpEx than all conventional membrane or thermal technologies

Several emerging technologies have also been benchmarked against SSI, and they have been found not to be competitive. SSI's claims are always derived from the work of third-party experts, consultants and organizations as a result of comprehensive benchmarking.

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