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Envirotech Petitions the Department of Energy to Become the First Water Heater Manufacturer Approved for the Energy Star Program

Envirotech's Award-Winning Water Heaters Are Based on a New "Tankless" Design that Reduces Energy Consumption by 50% and Maintains a 0.98 Energy Factor

([CSRwire](#)) Scottsdale, AZ--Envirotech Systems Worldwide, Inc. (OTC BB: ELUT), a global provider of water heating systems for residential and commercial properties, announced today that the company plans to file comments with the Department of Energy next week that would amend the proposed rules for adding water heaters to the Federal Government's Energy Star program.

Water heaters are the second largest energy consumer in the American household today. And, while water heaters are one of the largest consumers of energy in the household, the Federal Government, to date, has failed to be able to draft a program that awards Energy Star ratings for water heating devices that save substantial amounts of energy.

"The problem for the Department of Energy, which is tasked with setting the federal guidelines for the Energy Star Water Heater Program, is evaluating the difference in how new technologies have changed the methods of heating water," said Gary Gordon, Envirotech's CEO. "The good news is that they are working on Energy Star program now and plan to have something finalized by the first quarter of 2004."

Due to the numerous problems associated with heating water and storing it in a tank, new water heaters have adopted a new "tankless" design. Moving to a tankless design helps water heater manufacturers avoid the persistent problems that have plagued water heaters since the 1800's, such as Legionnaires disease which resembles flu symptoms but can cause death; sediment deposits that shorten water tank life cycles and impede energy efficiency; tank ruptures that cause severe flooding; very hot water temperatures that could scald infants or elderly family members and sometimes lead to accidental death; and accidental fires with gas water heaters caused by pilot lights igniting very flammable substances such as gasoline.

The comments that Envirotech plans to file next week would propose changes to the Department of Energy's 10 CFR Part 430 Energy Conservation for Consumer Products: Test Procedure for Water Heaters; Final Rule, passed in May 1998. Envirotech would like to see the Maximum Proposed Input Power Rating to be increased from 12 kW to 29 kW. This would allow a new category of highly energy efficient instantaneous water heaters to be included in the Department of Energy's Energy Star program.

The draw rate would allow instantaneous water heaters to meet the 3-5 gallons per minute minimum flow rate for whole house water heating applications. The flow rate of 3-5 gallons per minute would provide an endless supply of hot water that can be maintained throughout a home or business.

Previous guidelines were built around storage water tank systems that required low amp draw rates, but required a continuous power draw to heat water stored in a tank. New technologies are available now that require higher amp draw rates, but can save an enormous amount of energy by heating water only as it is needed.

For example, morning shower time puts a continuous draw on electricity power grids for several hours each morning as people take showers and use up their hot water supplies, which their water heaters then slowly replenish during a minimum of one hour of hot water recovery time.

Then after the hot water supply is replenished, tank storage systems must continuously heat the water off and on all day to keep the tank full of hot water until the next draw of hot water is requested.

Maintaining hot water in a tank wastes an enormous amount of energy, because no one needs hot water during the day when parents are at work and kids are at school or at night while the family sleeps. The same is true of business facilities on the weekends when no one is at work. Heating water when it is not needed does not make logical sense and is a severe waste of energy.

Envirotech's electric tankless water heater has an energy factor of 0.98 and maintains that rating throughout the product's 25-30 year life . The high-energy factor rating is the result of not using energy unless hot water is actually requested. This allows a household to reduce its hot water heating energy consumption by as much as 50%.

The average annual energy bill for a household of 4 people is \$2,400 per year or \$200 per month. A water heater usually accounts for 18.5% of a household's energy bill, which equals \$444 per year. A tankless water heater would reduce that cost by 50%, which equals \$222 in savings per year. The US Census indicated there were 115 million households in the United States in the year 2000. Using the figures above, the U.S could save almost \$26 billion per year by moving to tankless water heating systems.

Water tank heaters should not be allowed to participate in the Energy Star program at any level. Tank water heaters are dangerous and represent the largest source of wasted energy in the United States today. Using energy to heat water that is never used is a problem that the Energy Star program should help erase. Heating water on demand is a much smarter and more efficient approach to consuming energy.

The instantaneous water heating industry is made up of numerous manufacturers providing a wide variety of tankless water heaters to choose from, which are readily available from a well-known and well-respected retailers such as Lowe's. The industry has seen consistent growth over the last 20 years and the list of available products continues to grow and improve with time.

The cost associated with upgrading a household's infrastructure to support a higher draw rate is relatively low. The majority of circuit breaker panels and water heaters are located in a household's basement or garage making the upgrade convenient to perform by either the consumer or a certified electrician. Installing tankless water heaters in new construction is simple and is usually considered an upgrade by award winning builders and architects.

About Envirotech

Envirotech Systems Worldwide, Inc., is a global provider of tankless water heating systems for residential, commercial and industrial properties. Envirotech's award-winning product line, the ESI 2000, significantly reduces energy and water consumption. The ESI 2000 was recently voted one of the Top 10 Products of 2002 by Qualified Remodelers Magazine and one of the Top 5 Products by The Total Facility Management Trade Show.

Elution Technologies, a publicly traded company, which trades on the Over the Counter Bulletin Board under the symbol ELUT, recently acquired Envirotech. Soon, Elution Technologies will change its board of directors and the name of the company will be changed to Tankless Systems Worldwide, Inc. The new company stock will be traded under the symbol TSWI.

More information, product installation video clips and a free white paper on ESI Tankless Water Heating Systems can be downloaded from the company's website at <http://www.tankless.com>.

This press release may contain "forward-looking" statements as that term is defined in the Private Securities Litigation Reform Act of 1995 and similar expressions that reflect Envirotech's current expectations about its future performance, and are subject to risks, uncertainties and other factors that could cause Envirotech's actual performance to differ materially from those expressed in, or implied by, these forward-looking statements.