



AMSC Manufactures and Ships Superconductor Wire for Project HYDRA Prototype Power Cable

Secure Super Grids(TM) Prototype Cable to be Tested in 2009; Solution to be Deployed in Manhattan Power Grid in 2010

DEVENS, Mass.--(BUSINESS WIRE)--

American Superconductor Corporation (NASDAQ: AMSC), a leading energy technologies company, announced today that it has manufactured and shipped approximately 17,000 meters (56,000 feet) of its proprietary second generation (2G) high temperature superconductor (HTS) wire, branded as 344 superconductors, from the company's manufacturing facility in Devens, MA for use in Project HYDRA. This is the single largest shipment of 2G HTS wire by any company worldwide.

Project HYDRA relies upon the development of new fault current limiting technology, which is partially funded by the United States Department of Homeland Security (DHS) Science and Technology Directorate. The project focuses on the development and deployment of AMSC's Secure Super Grids™ technology in the power delivery network of Manhattan operated by Consolidated Edison Company of New York, Inc. DHS is providing up to \$25 million of the \$39 million project. AMSC is both the wire supplier and the prime contractor for the project. Ultera™, a joint venture between Southwire Company and nkt cables, is the cable manufacturer.

Electric utilities around the world are facing challenges to move more electricity through their urban grids to meet the increasing power demands of the 21st Century. At the same time, they must protect customers from ever larger power surges, known as fault currents. The Secure Super Grids (SSG) solution utilizes HTS power cables and ancillary controls to deliver up to 10 times more power than conventional copper cables while at the same time suppressing power surges that can disrupt service. The technology creates multiple paths for electricity flow in power grids to ensure system redundancy when individual circuits are disrupted due to severe weather, traffic accidents or willful destruction.

SSG technology was developed by AMSC based on a decade of HTS power cable demonstrations under U.S. Department of Energy projects, including live grid deployments in Ohio and New York, as well as AMSC's development of stand-alone HTS fault current limiters for the electric utility industry. SSG is enabled by the unique properties of AMSC's proprietary 344 superconductors, which are perfect conductors of electricity but then instantly switch to resistive mode when encountering a surge in current. When switched to resistive mode, the SSG system automatically and instantly suppresses power surges.

"Working with Homeland Security, Con Edison and Ultera, we have made significant progress since the launch of Project HYDRA in mid-2007," said Daniel McGahn, Senior Vice President and General Manager, AMSC Superconductors. "We successfully completed tests of an initial trial SSG cable and have now shipped all of the wire necessary for the first system prototype. We look forward to successfully testing this prototype in 2009 and deploying the full solution in Manhattan in 2010. This solution holds great promise for increasing the reliability and security of power grids in cities around the world."

AMSC delivered this initial shipment of 344 superconductors to Ultera's operations in Germany for the production of the prototype SSG cable. Testing of the prototype will be performed in conjunction with Oak Ridge National Laboratory and is expected to be complete in 2009. The full-scale HTS power cable system will connect two of Con Edison's Manhattan substations and is scheduled to be deployed in 2010.

For more information about AMSC's second generation (2G) HTS wire, please visit:
<http://www.amsc.com/products/htswire/2GWireTechnology.html>.

To view an animation of AMSC's Secure Super Grids technology in action, please visit:
<http://www.amsc.com/products/hydra.cfm>.

To access a webinar containing more information about the benefits of HTS cables, please visit <http://www.amsc.com/webcast/>.

About American Superconductor (NASDAQ: AMSC)

AMSC is a leading energy technologies company offering an array of solutions based on two proprietary technologies: programmable power electronic converters and high temperature superconductor (HTS) wires. The company's products, services and system-level solutions enable cleaner, more efficient and more reliable generation, delivery and use of electric power. AMSC is a leader in alternative energy, offering grid interconnection solutions as well as licensed wind turbine designs and electrical systems. As the world's principal supplier of HTS wire, the company is enabling a new generation of compact, high-power electrical products, including power cables, grid-level surge protectors, Secure Super Grids™ technology, motors, generators, and advanced transportation and defense systems. AMSC also provides utility and industrial customers worldwide with voltage regulation systems that dramatically enhance power grid capacity, reliability and security, as well as industrial productivity. The company's technologies are protected by a broad and deep intellectual property portfolio consisting of hundreds of patents and licenses worldwide. More information is available at www.amsc.com.

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Any statements in this release about future expectations, plans and prospects for the company, including our expectations regarding the future financial performance of the company and other statements containing the words "believes," "anticipates," "plans," "expects," "will" and similar expressions, constitute forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995. There are a number of important factors that could cause actual results to differ materially from those indicated by such forward-looking statements. Such factors include: uncertainties regarding the company's ability to obtain anticipated funding from corporate and government contracts, to successfully develop, manufacture and market commercial products, and to secure anticipated orders; the risk that a robust market may not develop for the company's products; the risk that strategic alliances and other contracts may be terminated; the risk that certain technologies utilized by the company will infringe intellectual property rights of others; and the competition encountered by the company. Reference is made to these and other factors discussed in the "Risk Factors" section of the company's most recent quarterly or annual report filed with the Securities and Exchange Commission. In addition, the forward-looking statements included in this press release represent the company's views as of the date of this release. While the company anticipates that subsequent events and developments may cause the company's views to change, the company specifically disclaims any obligation to update these forward-looking statements. These forward-looking statements should not be relied upon as representing the company's views as of any date subsequent to the date this press release is issued.

Source: American Superconductor Corporation