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FOR IMMEDIATE RELEASE

NEPTUNE NAMED SUPPLIER FOR CITY OF RALEIGH WATER SYSTEM

TALLASSEE, ALABAMA [September 7, 2006] – The City of Raleigh, North Carolina, has chosen Neptune through a request for proposal process as its supplier of water meters and AMR systems. Per the agreement, Neptune's ARB® Utility Management Systems™ will be utilized to automate 140,000 water meters in the City's service area.

For this project, Neptune meters will be equipped with ProRead absolute encoder registers and R900® radio frequency (RF) meter interface units (MIUs) for pit applications. The City will utilize Neptune's mobile data collectors for monthly meter reading and the CE-based handheld readers and RF receivers for on-site data collection. Utility Partners of America (UPA) has been awarded the contract by the City to provide the installation services.

The use of Neptune products will enable the City of Raleigh's Meters Operation Division to enhance its customer service with improved efficiency and guaranteed meter reading system accuracy.

"The City of Raleigh Public Utilities Department has enjoyed a 20+-year relationship with Neptune using Neptune ProRead absolute encoder-equipped meters, AMR radio, and telephone read equipment. This project is the summation of many years of discussion and evaluation working toward the best methods to implement a comprehensive AMR system. We are very pleased with our partnership with Neptune Technology Group and look forward to initiating this project." Charles Langston, Meters Operation Superintendent.

"The City of Raleigh is taking a proactive approach to managing its water resources," said Chuck DiLaura, President of Neptune Technology Group. "Raleigh's decision to move forward with Neptune's technology adds further validation that our products are addressing the key needs of progress-minded utilities."

About the Companies:

The City of Raleigh, NC is a thriving metropolitan city located in central North Carolina. The estimated 2005 service area population for the City of Raleigh's water and sanitary sewer system is 410,000. The City presently encompasses a service area of 182 square miles. The City of Raleigh's water and sanitary sewer system will completely merge with six of the neighboring towns in October 2006 to form one utility system.

Neptune Technology Group Inc., a pioneer in the development of Automatic Meter Reading (AMR) technology for nearly 40 years, is a leading provider of data collection systems under contract to read more than 46 million meters per month. Since 1892 Neptune has continually focused on the evolving needs of utilities — revenue optimization, operational efficiencies, and improved customer service. Neptune continues to broaden its focus beyond automatic meter reading and metering to include service orders and meter asset management and to extend this capability to electric and gas utilities. In 2003, Neptune acquired DB Microware, a developer of utility automation software for meter reading, service order management, and route optimization. Neptune provides utility automation software touching over 58 million connected customers throughout North America. For additional information, visit the company website at www.neptunetg.com.