

GridSense Launches Newest Transmission and Distribution Line Monitoring System for Electric Power Industry

LineIQ™ to be Demonstrated at *Distributech Conference* in San Diego Feb. 1-3

Sacramento, CA (**Feb 1, 2011**) - - GridSense, a subsidiary of Acorn Energy, Inc. (Nasdaq: ACFN), and a leader in advanced monitoring systems that support distribution automation and grid operations of electric utilities worldwide, today announced the commercial launch of its latest transmission and distribution line monitoring system, the LineIQ[™].

"The LineIQ™ assists utilities in improving their reliability even in the face of aging infrastructures," said Lindon Shiao, CEO of GridSense. "Today, when a fault is detected on the grid, a utility will typically be forced to shut down large surrounding areas to prevent its spreading. LineIQ™ is a sophisticated tool with more advanced and efficient real-time reporting capabilities that enable utilities to pinpoint line faults, and to restore service to all but the affected area."

With the introduction of new functionality like accurate voltage measurement, and additional monitoring parameter capabilities, the LineIQ $^{\text{TM}}$ addresses essential smart grid and distribution automation applications such as outage management, line balancing and capacity optimization.

John Moore, CEO of Acorn Energy noted, "Newton Evans, a leading research company with a focus on the worldwide electric power industry, recently reported that current North American spending for substation automation and integration programs is over \$500 million, with an overall market potential of nearly \$10 billion. The LineIQTM will be an important solution for this fast growing market, and along with the GridSense TransformerIQTM system, provide key building blocks to help the industry realize its vision of a 'self healing' grid."

GridSense will exhibit the LineIQTM system at the upcoming Distributech conference (Booth 2627) to be held in San Diego from February 1-3, 2011. GridSense will also be displaying its



full range of product offerings which span the transmission and distribution grid, including the TransformerIQTM product family. As the company's comprehensive and intelligent transformer monitoring platform, the TransformerIQTM has a number of newly added features. In addition to being able to capture every failure mode in a package that is retrofitable to the largest and most complex transformers, the TransformerIQTM system can also be configured affordably for the smallest distribution applications.

About GridSense Inc.

GridSense, a wholly-owned subsidiary of Acorn Energy, Inc. (Nasdaq: ACFN), is an industry leader that provides remote monitoring and control systems to electric utilities and industrial facilities worldwide. These solutions which include outage management, power quality monitoring, trouble shooting, capacity planning and demand response, provide network operators with the intelligence to improve efficiencies of grid operations. GridSense has a range of commercially proven offerings and a growing base of utility customers worldwide. For more information visit www.gridsense.com.

About Acorn Energy, Inc.

Acorn Energy, Inc. (Nasdaq:ACFN) is a publicly-traded holding company with equity interests in CoaLogix, DSIT, GridSense and US Sensor Systems Inc. These companies leverage advanced technologies to transform and upgrade the energy infrastructure around the world. Acorn companies are focused on three problems in the energy sector: improving the efficiency of the energy grid, reducing the risk for owners of large energy assets, and reducing the environmental impact of the energy sector. Acorn's strategy is to take primarily controlling positions in companies led by great entrepreneurs. For more information visit http://www.acornenergy.com.

Safe Harbor Statement

This press release includes forward-looking statements, which are subject to risks and uncertainties. There is no assurance that GridSense Inc. or Acorn Energy, Inc. will continue to grow their respective businesses, execute the initiatives described above or meet the expectations described above. A complete discussion of the risks and uncertainties which may affect Acorn Energy's business generally and the businesses of its subsidiaries is included in "Risk Factors" in the Company's most recent



Gridsense Contact:

Andrea Smallwood (916) 372-4945 a.smallwood@gridsense.com

Investor Contact:

Paul Henning Cameron Associates (212) 245-8800 Paul@cameronassoc.com