



HYDROPOINT SECURES \$19M IN SERIES C FINANCING

Proven Leader in Smart Irrigation to Expand Turnkey Services Offering

Petaluma, Calif., January 31, 2007 – HydroPoint Data Systems, Inc., provider of market-leading WeatherTRAK® water management systems, today announced the closing of \$19 million in private equity financing. The Company's series C round was led by RockPort Capital Partners, a leading venture capital firm specializing in energy, materials and process technologies, with strong support from Chrysalix Energy Venture Capital, a global venture capital firm focused on clean energy technologies. The financing will expand HydroPoint's sales and marketing of the WeatherTRAK solution to builders, corporate campuses, property managers and property owners throughout North America. As part of this transaction, Todd Wilson, General Partner, RockPort and Greg Sullivan, Managing Director, Chrysalix will join HydroPoint's Board of Directors.

"We view HydroPoint as the clear leader in a market segment on the brink of exponential growth," said Todd Wilson. "Leveraging its proprietary technology and market presence, the Company offers a compelling economic value proposition to its large and growing customer base. Further, sustainable resource management is a strong and growing theme in corporate boardrooms and town hall meetings across the U.S. and Canada. HydroPoint will extend its leadership position because it provides an exceptional outdoor water management solution proven to eliminate systemic overwatering and runoff pollution at the point-of-use."

"HydroPoint is ushering in the next frontier in water management by eliminating waste from our landscapes, which use more water than all indoor household appliances combined," added Greg Sullivan. "HydroPoint's smart irrigation solution reduces expenses and protects our most precious natural resource. This win-win proposition is a solid foundation for significant growth."

Additional investors in HydroPoint's series C financing included Firelake Strategic Technology Fund; Monitor Ventures; Shea Ventures; and The Toro Company.

Nineteen percent of California's electricity and 30 percent of its natural gas are consumed in meeting the state's water needs, according to the California Energy Commission. The billions of gallons of water WeatherTRAK customers will conserve in 2007 will help relieve dependence on the carbon-based fuels that contribute to global warming. Further, the WeatherTRAK solution protects waterways by virtually eliminating the flow of fertilizers, pesticides and other contaminants from overwatered landscapes.

Recognizing the critical importance of eliminating landscape water waste, public agencies are encouraging adoption of the WeatherTRAK smart irrigation system through rebates and other measures. More than 50 public agencies across the U.S. now offer rebate programs that cover up to half the cost of the product for residential and commercial applications. Additionally, new California legislation will mandate the use of smart controllers such as the WeatherTRAK system. Customers are realizing significant return on investment results that have accelerated expansion of the WeatherTRAK solution across their portfolios. Industry leaders such as Shea Homes, Archstone-Smith (NYSE: ASN), BRE Properties (NYSE: BRE) and Lockheed Martin (NYSE: LMT) selected WeatherTRAK to reduce water expenses and to protect property investments and local environments from landscape runoff pollution.

"HydroPoint revolutionized landscape irrigation by offering proven water-saving technology combined with flexible professional services that enable our customers to focus on their core competencies while they achieve dramatic ROI through intelligent water management," said Chris Spain, president and CEO, HydroPoint. "This investment is a powerful acknowledgement of the size and momentum of our market. Over the last year, we quadrupled our subscriber base and grew revenue by 160 percent."

About HydroPoint Data Systems, Inc.

HydroPoint provides WeatherTRAK smart irrigation solutions directly and through the Toro® and Irritrol® brands to more than 10,000 customers including the Fortune 1000, private individuals, municipalities and water districts. Twenty-two independent studies prove that WeatherTRAK systems maximize water conservation and improve landscape health. In particular, a California EPA-funded study demonstrated the WeatherTRAK solution's ability to reduce non-point source runoff pollution by 71 percent. Additionally, the WeatherTRAK product line received perfect scores across the board on the Smart Water Application Technology™ protocol, developed by a consortium of agencies and civic leaders to objectively measure smart controller performance. Based on this track record of success, WeatherTRAK solutions are eligible for all public agency rebate programs and meet the State of California's new performance standards for irrigation equipment. Headquartered in Petaluma, California, HydroPoint is privately owned and operated. For more information, visit www.weathertrak.com.

About RockPort Capital Partners

RockPort Capital Partners is dedicated to investing in and supporting the most promising entrepreneurs and technologies in the energy and power, advanced materials, and process and prevention sectors. RockPort has deep business and industry knowledge gained from years of management, technical, financial, and operations experience. RockPort's mission is to work alongside entrepreneurial management in order to create value, foster rapid growth and deliver outstanding returns to investors. To learn more about Rockport, visit www.rockportcap.com.

About Chrysalix Energy

Chrysalix Energy invests in compelling technologies and entrepreneurial management teams that address the changing demands of the global energy industry. Founded in 2001, Chrysalix actively supports its client Companies with deep industry and technical knowledge, management and board assistance, organized networking with industrial and financial partners, and management of intellectual property. To learn more about Chrysalix Energy visit www.chrysalix.com