FORM 4

## UNITED STATES SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

## STATEMENT OF CHANGES IN BENEFICIAL OWNERSHIP

| OMB APPRO                | VAL                                    |  |  |  |  |  |  |  |
|--------------------------|--|--|--|--|--|--|--|--|
| OMB Number:              | 3235-0287                              |  |  |  |  |  |  |  |
| Estimated average burden |  |  |  |  |  |  |  |  |
| hours per response:      | 0.5                                    |  |  |  |  |  |  |  |
|                          | OMB Number:<br>Estimated average burde |  |  |  |  |  |  |  |

Check this box if no longer subject to Section 16. Form 4 or Form 5 obligations may continue. See Instruction 1(b).

Filed pursuant to Section 16(a) of the Securities Exchange Act of 1934 or Section 30(h) of the Investment Company Act of 1940

| 1. Name and Address of Reporting Person* <u>ANDERSON RICHARD E</u>   |   |  |   |         | 2. Issuer Name and Ticker or Trading Symbol ACTIVE POWER INC [ ACPW ]   |   |         |   |                             |  |   |  | (Che  | elationship o  | able)   | g Pers     | 10% Ov                                     | ner   |  |
|--|---|--|---|---------|---|---|---------|---|-----------------------------|--|---|--|---|--|---|------------|--|-------|--|
|  | C/O ACTIVE POWER, INC.  |  |   |         |   |   |         | 3. Date of Earliest Transaction (Month/Day/Year) 06/28/2007 |                             |  |   |  |   |  |   |            | Other (s<br>below)                         | респу |  |
| 2128 W. BRAKER LANE, BK12  |   |  |   |         |   | 4. If Amendment, Date of Original Filed (Month/Day/Year)  |         |   |                             |  |   |  |   | 6. Individual or Joint/Group Filing (Check Applicable Line)      |   |            |  |       |  |
| (Street) AUSTIN TX 78758   |   |  |   |         |   |   |         |   |                             |  |   | - 1 1  | X Form filed by One Reporting Person  Form filed by More than One Reporting  Person |  |   |            |  |       |  |
| (City)   | (Si   | tate)                                      | (Zip)   |         |   |   |         |   |                             |  |   |  |   |  |   |            |  |       |  |
|  |   | Tal  | ole I - Non   | -Deriv  | ative   | e Se  | curitie | s Ac  | cquired, Di                 | spose  | ed of   | f, or Ben  | eficially   | y Owned  |   |            |  |       |  |
| Date   |   |  | 2. Transa<br>Date<br>(Month/D                       |         | ear)   i  | 2A. Deemed<br>Execution Date,<br>if any<br>(Month/Day/Yea |         | Code (Inst  | n Disp                      | 4. Securities Acquired (A)<br>Disposed Of (D) (Instr. 3, 4<br>5) |   |  | 5. Amour<br>Securitie<br>Beneficia<br>Owned F                                       | s<br>ally<br>ollowing  | 6. Ownership<br>Form: Direct<br>(D) or Indirect<br>(I) (Instr. 4) |            | 7. Nature of Indirect Beneficial Ownership |       |  |
|  |   |  |   |         |   |   | Code V  | Amo   | ount                        | (A) or (D)   |   | Reported<br>Transacti<br>(Instr. 3 a   | tion(s)   |  |   | (Instr. 4) |  |       |  |
| Table II - Derivative Securities Acquired, Disposed of, or Beneficially Owned (e.g., puts, calls, warrants, options, convertible securities) |   |  |   |         |   |   |         |   |                             |  |   |  |   |  |   |            |  |       |  |
| 1. Title of<br>Derivative<br>Security<br>(Instr. 3)  | 2.<br>Conversion<br>or Exercise<br>Price of<br>Derivative<br>Security | 3. Transaction<br>Date<br>(Month/Day/Year) | 3A. Deemed<br>Execution Da<br>if any<br>(Month/Day/ | ate, Tr | re, Transaction of Expiration Date (Month/Day/Year) sear) 8) Securities |   |         |   | of Securities<br>Underlying |  | 8. Price of<br>Derivative<br>Security<br>(Instr. 5) | 9. Numbe<br>derivative<br>Securities<br>Beneficia<br>Owned<br>Following<br>Reported<br>Transacti<br>(Instr. 4) | e<br>s<br>ally  | Ownershij<br>Form:<br>Direct (D)<br>or Indirect<br>(I) (Instr. 4 | Beneficial<br>Ownership<br>(Instr. 4)                             |            |  |       |  |
|  |   |  |   | C       | ode   | v   | (A)     | (D)   | Date<br>Exercisable         | Expira<br>Date   | ation   | Title  | Amount<br>or<br>Number<br>of<br>Shares  |  |   |            |  |       |  |
| Non-<br>Employee<br>Board<br>Member<br>Stock<br>Option<br>(Option to<br>Buy  | \$1.85  | 06/28/2007                                 |   |         | A   |   | 15,000  |   | 06/28/2007 <sup>(1)</sup>   | 06/27/2  | 2017  | Common<br>Stock  | 15,000  | \$0  | 15,00   | 0          | D  |       |  |

## **Explanation of Responses:**

1. The options are immediately exercisable. 100% of the options shall vest on the one year anniversary of the grant date, based on continued service on the Issuer's board of directors.

/s/ John K. Penver (Attorney-in-Fact) 07/30/2007

\*\* Signature of Reporting Person Date

Reminder: Report on a separate line for each class of securities beneficially owned directly or indirectly.

- $^{\star}$  If the form is filed by more than one reporting person, see Instruction 4 (b)(v).
- \*\* Intentional misstatements or omissions of facts constitute Federal Criminal Violations See 18 U.S.C. 1001 and 15 U.S.C. 78ff(a).

Note: File three copies of this Form, one of which must be manually signed. If space is insufficient, see Instruction 6 for procedure.

Persons who respond to the collection of information contained in this form are not required to respond unless the form displays a currently valid OMB Number.