

INITIAL STATEMENT OF BENEFICIAL OWNERSHIP OF SECURITIES

OMB APPROVAL	
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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>Murphy James Michael</u> (Last) (First) (Middle) <u>2128 W. BRAKER LN., BK 12</u> (Street) <u>AUSTIN TX 78758</u> (City) (State) (Zip)	2. Date of Event Requiring Statement (Month/Day/Year) <u>03/01/2007</u>	3. Issuer Name and Ticker or Trading Symbol <u>ACTIVE POWER INC [ACPW]</u>	
		4. Relationship of Reporting Person(s) to Issuer (Check all applicable) Director 10% Owner <input checked="" type="checkbox"/> Officer (give title below) Other (specify below) <u>Vice President of Sales - EMEA</u>	5. If Amendment, Date of Original Filed (Month/Day/Year) 6. Individual or Joint/Group Filing (Check Applicable Line) <input checked="" type="checkbox"/> Form filed by One Reporting Person Form filed by More than One Reporting Person

Table I - Non-Derivative Securities Beneficially Owned

1. Title of Security (Instr. 4)	2. Amount of Securities Beneficially Owned (Instr. 4)	3. Ownership Form: Direct (D) or Indirect (I) (Instr. 5)	4. Nature of Indirect Beneficial Ownership (Instr. 5)
<u>Common Stock</u>	<u>10,000</u>	<u>D</u>	

Table II - Derivative Securities Beneficially Owned (e.g., puts, calls, warrants, options, convertible securities)

1. Title of Derivative Security (Instr. 4)	2. Date Exercisable and Expiration Date (Month/Day/Year)		3. Title and Amount of Securities Underlying Derivative Security (Instr. 4)	4. Conversion or Exercise Price of Derivative Security	5. Ownership Form: Direct (D) or Indirect (I) (Instr. 5)	6. Nature of Indirect Beneficial Ownership (Instr. 5)
	Date Exercisable	Expiration Date				
<u>Employee Stock Option (right to buy)</u>	<u>(1)</u>	<u>11/14/2015</u>	<u>Common Stock</u>	<u>15,000</u>	<u>3.33</u>	<u>D</u>
<u>Employee Stock Option (right to buy)</u>	<u>(2)</u>	<u>04/17/2016</u>	<u>Common Stock</u>	<u>9,000</u>	<u>5.17</u>	<u>D</u>
<u>Employee Stock Option (right to buy)</u>	<u>(3)</u>	<u>02/07/2017</u>	<u>Common Stock</u>	<u>9,000</u>	<u>2.29</u>	<u>D</u>

Explanation of Responses:

- Option shares are immediately exercisable. 4,688 shares are currently vested. With continued service, the remaining 10,312 shares will vest in a series of equal quarterly installments through 11/14/2009.
- Option shares are immediately exercisable. No shares are currently vested. With continued service, 2,250 shares will vest on 4/17/07 and the remaining 6,750 shares will vest in a series of twelve equal quarterly installments through 04/17/2010.
- No shares are currently vested or exercisable. With continued service, 2,250 shares shall vest and become exercisable on 2/7/2008 and the remaining 6,750 shares shall vest and become exercisable in a series of twelve equal quarterly installments upon the completion of each additional quarter of service through 2/7/2011.

/s/ John K. Penver (Attorney-in-Fact) 03/05/2007

** Signature of Reporting Person Date

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

* If the form is filed by more than one reporting person, see Instruction 5 (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.

CONFIRMING STATEMENT

This Statement confirms that the undersigned, James Michael Murphy, has authorized and designated John K. Penver, Catherine Brophy and Jennifer Crow to execute and file on the undersigned's behalf all Forms 3, 4, and 5 (including any amendments thereto) that the undersigned may be required to file with the U.S. Securities and Exchange Commission as a result of the undersigned's ownership of or transactions in securities of Active Power, Inc. The authority of John K. Penver, Catherine Brophy and Jennifer Crow under this Statement shall continue until the undersigned is no longer required to file Forms 3, 4, and 5 with regard to the undersigned's ownership of or transactions in securities of Active Power, Inc., unless earlier revoked in writing. The undersigned acknowledges that John K. Penver, Catherine Brophy and Jennifer Crow are not assuming any of the undersigned's responsibilities to comply with Section 16 of the Securities Exchange Act of 1934.

Date: March 5, 2007

/s/ James Michael Murphy

James Michael Murphy