SEC Form 4

**FORM 4**

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

**STATEMENT OF CHANGES IN BENEFICIAL OWNERSHIP**

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* <br> Beatty David J <br> (Last) (First) (Middle) <br> 2128 W. BRAKER LN., BK 12 <br> (Street) <br> AUSTIN TX 78758 <br> (City) (State) (Zip) | 2. Issuer Name **and** Ticker or Trading Symbol <br> ACTIVE POWER INC [ ACPW ] <br><br> 3. Date of Earliest Transaction (Month/Day/Year) <br> 11/22/2006 <br><br> 4. If Amendment, Date of Original Filed (Month/Day/Year) | 5. Relationship of Reporting Person(s) to Issuer (Check all applicable) <br> ___ Director ___ 10% Owner <br> X Officer (give title below) ___ Other (specify below) <br> Vice President of Engineering <br><br> 6. Individual or Joint/Group Filing (Check Applicable Line) <br> X Form filed by One Reporting Person <br> ___ Form filed by More than One Reporting Person |

## Table I - Non-Derivative Securities Acquired, Disposed of, or Beneficially Owned

| 1. Title of Security (Instr. 3) | 2. Transaction Date (Month/Day/Year) | 2A. Deemed Execution Date, if any (Month/Day/Year) | 3. Transaction Code (Instr. 8) | | 4. Securities Acquired (A) or Disposed Of (D) (Instr. 3, 4 and 5) | | | 5. Amount of Securities Beneficially Owned Following Reported Transaction(s) (Instr. 3 and 4) | 6. Ownership Form: Direct (D) or Indirect (I) (Instr. 4) | 7. Nature of Indirect Beneficial Ownership (Instr. 4) |
|---|---|---|---|---|---|---|---|---|---|---|
| | | | Code | V | Amount | (A) or (D) | Price | | | |
| Common Stock | 11/22/2006 | | M | | 1,875 | A | $1 | 1,875 | D | |
| Common Stock | 11/22/2006 | | M | | 1,876 | A | $1.22 | 3,751 | D | |
| Common Stock | 11/22/2006 | | S | | 400 | D | $2.73 | 3,351 | D | |
| Common Stock | 11/22/2006 | | S | | 700 | D | $2.7 | 2,651 | D | |
| Common Stock | 11/22/2006 | | S | | 200 | D | $2.69 | 2,451 | D | |
| Common Stock | 11/22/2006 | | S | | 2,100 | D | $2.68 | 351 | D | |
| Common Stock | 11/22/2006 | | S | | 351 | D | $2.67 | 0 | D | |

## Table II - Derivative Securities Acquired, Disposed of, or Beneficially Owned
### (e.g., puts, calls, warrants, options, convertible securities)

| 1. Title of Derivative Security (Instr. 3) | 2. Conversion or Exercise Price of Derivative Security | 3. Transaction Date (Month/Day/Year) | 3A. Deemed Execution Date, if any (Month/Day/Year) | 4. Transaction Code (Instr. 8) | | 5. Number of Derivative Securities Acquired (A) or Disposed of (D) (Instr. 3, 4 and 5) | | 6. Date Exercisable and Expiration Date (Month/Day/Year) | | 7. Title and Amount of Securities Underlying Derivative Security (Instr. 3 and 4) | | 8. Price of Derivative Security (Instr. 5) | 9. Number of derivative Securities Beneficially Owned Following Reported Transaction(s) (Instr. 4) | 10. Ownership Form: Direct (D) or Indirect (I) (Instr. 4) | 11. Nature of Indirect Beneficial Ownership (Instr. 4) |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | | | | Code | V | (A) | (D) | Date Exercisable | Expiration Date | Title | Amount or Number of Shares | | | | |
| Employee Stock Option (right to buy) | $1 | 11/22/2006 | | M | | | 1,875 | 03/11/2003[1] | 03/11/2013 | Common Stock | 3,750 | $0 | 1,875 | D | |
| Employee Stock Option (right to buy) | $1.22 | 11/22/2006 | | M | | | 1,876 | 02/12/2003[2] | 02/12/2013 | Common Stock | 2,813 | $0 | 987 | D | |

**Explanation of Responses:**

1. Options are immediately exercisable. As of November 22, 2006, 1,875 shares were vested. The remaining 1,875 shares vest in equal quarterly installments through March 11, 2007.
2. Options are immediately exercisable. As of November 22, 2006, 1,876 shares were vested. The remaining 987 shares vest on February 12, 2007.

/s/ John Penver (Attorney-in-Fact)                    11/27/2006

** 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 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.**