

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>Beatty David J</u> (Last) (First) (Middle) 2128 W. BRAKER LN., BK 12 (Street) AUSTIN TX 78758 (City) (State) (Zip)	2. Date of Event Requiring Statement (Month/Day/Year) 10/05/2006	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 Engineering</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)
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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	Title	Amount or Number of Shares			
Employee Stock Option (right to buy)	(1)	03/11/2013	Common Stock	3,750	1	D	
Employee Stock Option (right to buy)	(2)	02/13/2014	Common Stock	8,750	3.24	D	
Employee Stock Option (right to buy)	(3)	02/14/2015	Common Stock	13,750	3.24	D	
Employee Stock Option (right to buy)	(4)	10/10/2015	Common Stock	9,238	3.81	D	
Employee Stock Option (right to buy)	(5)	10/10/2015	Common Stock	40,762	3.81	D	
Employee Stock Option (right to buy)	(6)	02/03/2016	Common Stock	23,809	4.2	D	
Employee Stock Option (right to buy)	(7)	02/03/2016	Common Stock	1,191	4.2	D	
Employee Stock Option (right to buy)	(8)	04/09/2011	Common Stock	5,370	18.62	D	
Employee Stock Option (right to buy)	(9)	04/09/2011	Common Stock	3,630	18.62	D	
Employee Stock Option (right to buy)	(10)	08/14/2011	Common Stock	1	5.63	D	
Employee Stock Option (right to buy)	(11)	08/14/2011	Common Stock	2,499	5.63	D	
Employee Stock Option (right to buy)	(12)	07/24/2012	Common Stock	313	1.81	D	
Employee Stock Option (right to buy)	(13)	02/12/2013	Common Stock	2,813	1.22	D	

Explanation of Responses:

- Option shares are immediately exercisable. 1,875 shares are currently vested. With continued service, the remaining 1,875 shares will vest in equal quarterly installments through 03/11/2007.
- Option shares are immediately exercisable. 1,250 shares are currently vested. With continued service, the remaining 7,500 shares will vest in equal quarterly installments through 02/13/2008.
- Option shares are immediately exercisable. 1,250 shares are currently vested. With continued service, the remaining 12,500 shares will vest in equal quarterly installments through 02/14/2009.
- Option shares are immediately exercisable. With continued service, 2,309 shares vest 10/10/2006 and thereafter the remaining 6,929 shares will vest in equal quarterly installments through 10/10/2009.
- Option shares are immediately exercisable. With continued service, 10,190 shares vest 10/10/2006 and thereafter the remaining 30,572 shares will vest in equal quarterly installments through 10/10/2009.
- Option shares are immediately exercisable. With continued service, 5,952 shares vest 02/03/2007 and thereafter the remaining 17,857 shares will vest in equal quarterly installments through 02/03/2010.
- Option shares are immediately exercisable. With continued service, 297 shares vest 02/03/2007 and thereafter the remaining 894 shares will vest in equal quarterly installments through 02/03/2010.
- Option shares are immediately exercisable. All 5,370 shares are currently vested.
- Option shares are immediately exercisable. All 3,630 shares are currently vested.
- Option shares are immediately exercisable. All 1 shares are currently vested.
- Option shares are immediately exercisable. All 2,499 shares are currently vested.
- Option shares are immediately exercisable. All 313 shares are currently vested.
- Option shares are immediately exercisable. 938 shares are currently vested. With continued service, the remaining 1,875 shares will vest in equal quarterly installments through 02/12/2007.

/s/ Maya Walker (Attorney-in-Fact) 10/12/2006

** 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 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, Rod Bond, has authorized and designated John K. Penver, Catherine Brophy and Maya Walker 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 Maya Walker 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 Maya Walker are not assuming any of the undersigned's responsibilities to comply with Section 16 of the Securities Exchange Act of 1934.

Date: October 10, 2006

/s/ David Beatty

David Beatty