California Energy Commission Public Interest Energy Research
Venture Capital Forum

Suggestions for Public Energy R&D Funding

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CMEA CAPITAL

Opportunity at the Intersections

Investing in the Future of Energy

Advanced Generation & Storage	Grid-Scale Generation and Storage at Grid Competitive Pricing Scale NU Power Inc · SOLARIA · ANOTEK
Premium Power	High-Value Electric Power Cnano · INTERMOLECULAR · CFX Battery · A123 SYSTEMS
Future Fuels & Chemicals	Next Generation Fuel Production Methods Biolight · Wildcat Discovery Technologies · CODEXIS
Energy Efficient Products	New Products that Save Money by Saving Energy LUMINUS
Energy Intelligence	Products That Enable Real-Time Analysis and Control VISYX

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“Public Interest” versus “Commercialization”

- “Public Interest” technologies often lack commercial potential.
- Required for VC funding: Quality management teams and market potential.
- Recommendation: Expand Investment Committee to include investors
- Model: Oregon Nanoscience and Microtechnologies Institute – ONAMI
  - Professional staff brings forward opportunities
  - Volunteer investor board makes funding decisions
  - VC:ONAMI funding ratio 18:1 over five years

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Who Should Own the IP?

- IP value is maximized in the hands of commercial entities.
- A strong IP portfolio is major factor in attracting investment capital.
- Recommendation: Establish standardized contract terms that give IP to companies.
- Recommendation: PIER should take equity or royalties in payment

What Comes after PIER?

- Almost all PIER-funded companies will need equity financing.
- Recommendation: Establish goals and metrics based on downstream capital raises.
- Recommendation: Cultivate relationships with VCs and other investors.

Opportunity at the Intersections