

Energy Technology Connections Newsletter: Your Law Firm Link to Industry News

FEBRUARY 2015

Our February edition of *Energy Technology Connections* brings you recent industry highlights, the latest news from Capitol Hill, and a list of upcoming energy industry events. In our Leaders in the News section, we look back on the Mintz Levin Energy Technology group's activities in 2014, which included 50 completed transactions. In Event Highlights, you'll find information about the upcoming EnergySMART 2015 Conference in Philadelphia on March 24 – 26 and about our team's attendance at two other upcoming events: ECO:nomics 2015, and the 2015 MIT Energy Conference. This month's Innovator Profile highlights the work of our partners at Microvi Biotechnologies. Finally, our Washington Update provides up-to-date information on energy-related legislative and regulatory activity for the new year in the nation's capital.

For links to industry grant opportunities and stories from the business, policy, and research sectors of the energy and clean technology industry, please see our [Energy Navigator](#).

Leaders in the News

We're excited to report that the Energy Technology practice group here at Mintz Levin closed 50 transactions for over half a billion dollars in 2014. We're extremely proud of all of this year's deals, including notable transactions such as Aspen Aerogel's \$82.5 million IPO, EnerNOC's acquisition of Pulse Energy, Canaccord Genuity's role in two \$30 million follow-on offerings made by Rubicon Technologies, and several Soligent acquisitions. Since 2006, our group has completed more than 400 transactions totaling over \$7.5 billion in the energy technology sector. Great work, team!

Of course, much of the work we do would not be possible without the many amazing energy technology companies with whom we've had the opportunity to partner. We view our clients as business partners, and we work hard to help them win!

Event Highlights

We are thrilled to profile the [Fifth Annual EnergySMART Conference](#), being held this year in Philadelphia from March 24 to 26. Hosted by our friends and colleagues at [EnerNOC](#), this year's event will offer conference-goers an unparalleled look at ground-breaking technology developments, financing options, and thought leadership in the fields of energy intelligence, management, and operational efficiency. The [star-studded cast](#) of keynote speakers and presenters includes many of our friends and colleagues, including Omar Saadeh of [Greentech Media](#) and Micah Remley, Chad Gillless, Ryan Esch, John duPont, and Gregg Dixon of [EnerNOC](#). By attending, you'll get the chance to network with these and other industry professionals and collaborate on best practices for the biggest energy intelligence challenges. [Register today](#) to lock in your spot at this exceptional conference and ensure that you stay on the front lines of energy intelligence.

Pacific time-zone friends: can't make it to the east coast for EnergySMART from March 24 to 26? Then spend that weekend in Santa Barbara, California at ECO:nomics 2015, the annual environmental business conference hosted by the Wall Street Journal. Mintz Levin's very own Tom Burton will be in attendance for this year's conference, and it promises to be yet another important event for the future of business and the environment. With global CEOs, top entrepreneurs, environmental experts, policy makers, and other leading thinkers in attendance, there will be no shortage of wisdom about and insight into the biggest opportunities and risks facing businesses and industries affected by the environment. Don't miss the jam-packed [program](#) and another year of incredible speakers; we look forward to seeing some of you there in Santa Barbara!

Finally, the [MIT Energy Conference](#) will celebrate its tenth anniversary this year, with another outstanding lineup of events, panels, and showcases planned for February 27 and 28. The 2015 conference will attract some of the most prominent leaders in the scientific community, industry, and government, combining their experience and insight to pursue consensus on solutions for the energy challenges of today and tomorrow. Make sure to [secure your spot by registering](#) for the conference right away. Members of the Mintz Levin Energy Technology team will be in attendance, so we hope to see you there!

Innovator Profile

This month, we'd like to feature our friends at [Microvi Biotechnologies](#), an emerging leader in the field of industrial biocatalytics. Microvi's solutions, which are based on its proprietary [MicroNiche Engineering™ \(MNE\) Platform](#), seek to revolutionize the use of applied biology in water, energy, and chemical industries across the globe. The MNE Platform synthesizes fit-for-process biocatalytic technologies to enhance the performance, productivity, and efficiency of engineered biological systems, significantly improving the economics of industrial biological processes. Already, Microvi has developed novel biocatalysts for sewage treatment, metals removal, organics removal, ethanol production, and several other water and bio-based products, and the company has multiple commercial installations around the world producing clean drinking water and treating wastewater with greater value and efficiency than existing technologies.

On January 20, [Microvi announced](#) that it had closed a round of Series B funding from German investment firm SKion GmbH, which acquired a minority stake in Microvi. The funding raised will be used to help accelerate Microvi's growth as it pursues additional commercial projects around the world, and opportunity abounds for collaboration with many of SKion's other water-sector investments. This comes on the heels of the October announcement that Microvi would be named to the [Global Cleantech 100](#) for 2014, a list of the top private companies in clean technology across the globe. We are eager to watch as Microvi's biocatalytic technologies continue to develop and further impact the water, energy, and chemical industries around us!

Washington Update

Energy and environment debates have quickly heated up since the start of the new year, as the Senate grapples over the Keystone XL pipeline and Congressional tax reform debates get under way.

The Senate voted on January 12 to begin debate on legislation (S. 1) to support the construction of the Keystone XL pipeline. Amendments began to fly January 20, with senators eventually offering more than 247 amendments focusing on Keystone-related issues, climate issues, or political messaging. Topics ranged from energy efficiency, climate-change recognition, and crude oil exports to fracking oversight, the wind production tax credit, and the EPA's proposed regulations on power plants. Many of the amendments served as previews to energy and environment debates likely to return for discussion during the 114th Congress.

The upper chamber backed a main energy efficiency amendment from Senators Portman and Shaheen and held votes on several others in mid-January. On January 22, the Senate voted on three amendments to the measure regarding climate change. One of the amendments passed, and two failed. Senator Sheldon Whitehouse's (D-RI) measure (S. Amd. 29), which passed, 98-1, expressed the sense of the Senate that climate change is real. The other two amendments failed because of a contention over humanity's contribution to climate change. Senator John Hoeven's (R-ND) amendment (S. Amd. 87) stated that human activity contributes to climate change, and fell one vote shy of the votes needed to pass. Senator Brian Schatz's (D-HI) amendment (S. Amd. 58) said that human activity "significantly" contributes to climate change, and failed 50-49.

A contrasting amendment (S. Amd. 79) from Senators Roy Blunt (R-MO) and James Inhofe (R-OK) stating that the November 2014 U.S.-China climate agreement has no "force and effect" in the United States also failed on January 22.

After Senate Majority Leader Mitch McConnell (R-KY) filed a motion for cloture on the Keystone legislation on January 22, Democrats in the upper chamber mounted their first successful filibuster of the new Congress on January 26, as the upper chamber voted 53-39 to cut off debate on the Keystone XL legislation. Senate Democrats are urging Majority Leader McConnell to hold more amendment votes as proof of his commitment to an open amendment process in the chamber. After a second vote held on January 29, the upper chamber approved the Keystone legislation, with nine Democrats joining their Republican colleagues for a vote of 62-36. The Senate's version of the bill must be merged with the previously passed House version before being sent to President Obama, where his veto will likely send the bill back to the Senate for a potential override vote.

House Majority Leader Kevin McCarthy (R-CA) said on January 22 that the House would soon hold votes on legislation (H.R. 351) to expedite permits for natural gas pipelines. Representative Bill Johnson's (R-OH) measure would give the

Department of Energy 30 days to issue a final decision on a natural gas export application after its National Environmental Policy Act review is complete. The LNG Permitting Certainty and Transparency Act is similar to Senator John Barrasso's (R-WY) legislation (S. 33) and a bill (H.R. 6) the House approved in June. The Senate Energy and Natural Resources Committee held a hearing on January 29 to consider the liquefied natural gas export legislation.

President Obama released his [fiscal year 2016 budget request](#) on February 2. In the \$4 trillion request, President Obama recommitted to his climate change agenda, offering new incentives for states to reduce their reliance on coal-fired power; providing \$500 million for the Green Climate Fund, part of a \$1.29 billion request for the Global Climate Change Initiative, and the first budget request aimed at achieving President Obama's multi-year \$3 billion pledge toward the fund; investing \$400 million to map flood risks; providing \$200 million for the Department of Agriculture to plan for extreme weather events; funding for coastal, drought, and wildfire resilience programs; and setting the stage for a budget fight with Congressional Republicans, who have little appetite for climate spending and will spend significant effort working to overturn related regulations, such as the Environmental Protection Agency's recent Clean Power Plan proposal. The budget makes the case that the United States has already incurred more than \$300 billion in "direct costs due to extreme weather and fire alone."

The fiscal year 2016 budget request provides \$29.9 billion for the Department of Energy, an increase from the \$27.3 billion enacted for the department in fiscal year 2015. The agency would receive about 75 percent of the overall \$7.4 billion requested for clean energy technology programs. The request includes more than \$250 million in discretionary spending to support seven new manufacturing facilities and \$1.9 billion in mandatory spending to fund the other 29 manufacturing institutes in the network of Department of Agriculture, Commerce, Defense, and Energy facilities. Once again, the budget does not provide funding for the Yucca Mountain nuclear waste repository, though the Nuclear Regulatory Commission still has about \$4 million to carry out review activities.

Regarding energy-related tax incentives, the budget request seeks to make permanent the renewable energy production tax credit and investment tax credit at the same time it plans to reduce more than \$4.1 billion in oil and gas tax incentives, including repealing intangible drilling costs, the Section 199 manufacturing tax credit, and several coal tax deductions totaling \$295 million. The budget request suggests reviving a nuclear utility tax that would raise more than \$2 billion over 10 years to pay for cleanup at three former weapons production and uranium enrichment sites under the Uranium Enrichment Decontamination and Decommissioning Fund. The budget would modify and permanently extend the deduction for energy efficient commercial building property; provide a carbon dioxide investment and sequestration tax credit; provide additional tax credits for investment in qualified property used in a qualifying advanced energy manufacturing project; extend the tax credit for second generation biofuel production; provide a tax credit for the production of advanced technology vehicles; provide a tax credit for medium- and heavy-duty alternative-fuel commercial vehicles; modify and extend the tax credit for the construction of energy-efficient new homes; and reduce excise taxes on liquefied natural gas to bring it into parity with diesel fuel.

The Department of Interior (DOI) has had a busy start to 2015. In less than a month, the administration announced three significant executive branch actions impacting conventional and renewable resource development off the shores of the United States from Alaska to Georgia: (1) Expanded opportunities for new oil and gas exploration off the coast of Alaska coupled with a politically sensitive prohibition on oil and gas exploration in the Arctic National Wildlife Refuge (ANWR), (2) an expansion of oil and gas exploration on the Atlantic Coast Outer Continental Shelf (OCS), and (3) an [offshore wind lease auction](#) off the coast of Massachusetts to develop renewable resources. The department's [proposed actions](#) would create the first offshore lease offering for drilling off the southeast coast of the United States in Virginia, the Carolinas, and Georgia, and it would designate portions of the Alaskan coastline as off-limits from all future oil and gas leasing due to the "substantial environmental, social, and ecological concerns in the Arctic."

The National Oceanic and Atmospheric Administration and the National Aeronautics and Space Administration announced on January 16 that 2014 was the warmest year on record. The global annual average temperature was 57 degrees Fahrenheit, 1.24 degrees above the 20th century average, and 0.07 degrees above the previous records, from 2005 and 2010; record keeping began in 1880. The year 2014 was the 38th consecutive year that the annual global temperature exceeded the average. Analysis of the data has shown that greenhouse gas emissions primarily drive the long-term warming trend.

Internationally, President Obama and Indian Prime Minister Narendra Modi agreed on January 25 to work together on climate change in advance of the Paris international climate negotiations at the end of the year. Prime Minister Modi said that the threat of climate change was enough to push India to take action.

[Click here](#) to read ML Strategies' "Washington Outlook for 2015," a comprehensive report on issues and topics of debate for the upcoming year in Congress, including topics relating to energy and the environment.

Energy Navigator

Please visit and bookmark our [Energy Navigator](#) to easily view all of the latest headlines from the most trusted publications reporting on developments in the energy and clean technology industries. It is housed on our blog, [Energy Technology Matters](#).

Upcoming Events

ARPA-E Energy Innovation Summit

February 9-11, 2015
Washington DC

[More Info »](#)

GreenBiz 2015

February 17-19, 2015
Phoenix, AZ

[More Info »](#)

10th Annual Tufts Energy Conference

February 21, 2015
Medford, MA

[More Info »](#)

CA 21st Century Electricity System CEO Forum, presented by Advanced Energy Economy

February 25, 2015
San Francisco, CA

[More Info »](#)

MIT Energy Conference

February 27-28, 2015
Cambridge, MA

[More Info »](#)

Waste to Biogas & Clean Fuels Finance & Investment Summit

March 3-4, 2015
Santa Clara, CA

[More Info »](#)

BuildingEnergy 15

March 3-5, 2015
Boston, MA

[More Info »](#)

PV America 2015

March 9-10, 2015
Boston, MA

[More Info »](#)

Cleantech Forum San Francisco

March 16-18, 2015
San Francisco, CA

[More Info »](#)

The Wall Street Green Summit XIV

March 23, 2015
New York, NY

[More Info »](#)

Solar Power Finance & Investment 2015

March 23-26, 2015
San Diego, CA

[More Info »](#)

Fifth Annual EnergySMART Conference

March 24–26, 2015
Philadelphia, PA

[More Info »](#)

ECO:nomics 2015, presented by the *Wall Street Journal*

March 25-27, 2015
Santa Barbara, CA

[More Info »](#)

The Future of Energy Summit 2015, presented by *Bloomberg New Energy Finance*

April 13-15, 2015
New York, NY

[More Info »](#)

Solar Summit 2015

April 14-16, 2015
Phoenix, AZ

[More Info »](#)

22nd Annual New England Energy Conference and Exposition

May 12-13, 2015
Groton, CT

[More Info »](#)

Grid Edge Live 2015

June 23-25, 2015
San Diego, CA

[More Info »](#)

REFF Wall Street

June 24-25, 2015
New York City, NY

[More Info »](#)

Energy Storage North America

October 13-15, 2015
San Diego, CA

[More Info »](#)

Verge 2015

October 26-29, 2015
San Jose, CA

[More Info »](#)

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