

Mintz Levin Energy Technology

Energy Technology Connections Newsletter

Your Law Firm Link to Industry News

JULY 2016

A Note from the Editors

Our July edition of *Energy Technology Connections* brings you recent industry highlights and a list of upcoming energy industry events. In Leaders in the News, we profile our friends at **Greentown Labs** for their recent expansion project and their continued success as a cleantech incubator. Our Innovator Profile spotlights **Great Bay Fertilizer**, a sustainable ventures company that produces an organic fertilizer allowing end users to be "carbon farmers." For event highlights, we feature two upcoming events that we are proud to sponsor: **NECEC's Annual Legislative Roundup** and **AEE's Pathway to 2050**. Finally, our Washington Update provides the latest on the House and Senate-passed bill on Federal Aviation Administration (FAA) reauthorization, the introduction of new energy-related bills, and funding developments, as well as initiatives from the Department of Energy, the Environmental Protection Agency, and the White House.

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.

You can subscribe to our Energy Tech Matters blog here.

We would also like to remind our readers that you can always ask us anything at http://mintzedge.com/ask-anything/. We built the MintzEdge website as a resource for entrepreneurs and investors, and hope that all of you take advantage of the site and see how it can help you.

Leaders in the News: Greentown Labs

This month's Leader in the News is **Greentown Labs**, a cleantech incubator located in Somerville, Massachusetts that offers office space, event space, and a 25,000 sq. ft. prototyping lab with shared machine shop tools. **Greentown Labs** is dedicated to providing its community of entrepreneurs with access to the space, resources, and funding needed to grow their companies. Member companies range from those just beginning prototyping to those that have raised a Series A venture round. Technologies range from energy efficiency to transportation to water technology. As of April 2016, Greentown Labs was home to more than 50 startups, which employ over 430 people and have collectively raised over \$180 million.

Founded in 2011, **Greentown Labs** continues to expand and gain recognition across the country through partnerships with innovative organizations. On April 22, 2015, **Greentown Labs** and the Los Angeles Cleantech Incubator (LACI), a public-private organization based in California that aims to help companies deliver market-ready cleantech solutions, signed a coast-to-coast agreement that provides their member companies with access to new markets, new possibilities, and new opportunities to tackle the world's energy and sustainability challenges. In late February 2016, **Greentown Labs** and Oregon BEST, an independent non-profit that funds and supports innovative cleantech startups in Oregon, launched a partnership called the Network Expansion Program to help startup entrepreneurs access strategic partners, investors, and new markets on the east and west coast. In late March 2016, **Greentown Labs** and NYC ACRE, the NYU Tandon School of Engineering's cleantech incubator, announced a collaborative Network Expansion Program that will focus on providing resources for cleantech entrepreneurs. Most recently, **Greentown Labs** launched a Network Expansion Program with Prospect Silicon Valley, a Silicon Valley-based urbantech innovation hub working with industry and government innovators to launch smarter, cleaner solutions in energy, transportation, and the built



Thomas R. Burton, III



Sahir Surmeli

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environment. The program aims to reduce barriers that startups encounter as they break into the cleantech markets.

In late October 2015, **Greentown Labs** launched an \$11 million expansion project right outside of Boston, doubling its space to 93,000 sq. ft. The growth comes just two years after **Greentown Labs** moved to Somerville, Massachusetts in September 2013. The expansion will enable **Greentown Labs** to continue to serve as a global center for cleantech innovation. In late January 2016, **Greentown Labs** was one of four small business incubators that collectively received \$530,000 in grants from the Massachusetts Clean Energy Center (MassCEC). The funding directly supports **Greentown Labs**' daily operations, which focus on providing early-stage ventures with space and resources to scale and succeed. Congratulations to **Greentown Labs** for its achievements – the Mintz Levin team looks forward to your continued growth and leadership in the energy sphere!



Greentown Labs hosts an annual DEMO Day in which attendees have the opportunity to meet its member companies and view live demonstrations of the technologies in development at Greentown Labs. In 2015 Greentown Labs hosted more than 400 people for its DEMO Day and MA Governor Charlie Baker served as keynote speaker. [Source: Greentown Labs]



The open-office layout of the shared workspace at Greentown Labs.
[Source: Greentown Labs]

Innovator Profile: Great Bay Fertilizer

This month we feature **Great Bay Fertilizer**, a sustainable ventures company that produces a high-performing organic fertilizer from recycled food waste, allowing end users to be "carbon farmers." By using an organic fertilizer that is focused not only on encouraging plant growth, but more importantly, on improving soil health, professional turf managers and home owners alike can mitigate climate change by sequestering carbon in their healthy soil. **Great Bay Fertilizer** has developed an innovative, patented nutrient recovery system that transforms the digestate remaining from the anaerobic digestion of food waste into a dry, highly effective organic fertilizer. Not only does this unique all-natural fertilizer promote carbon farming, it preserves landfill space by removing food waste, eliminating the unnecessary production of harmful greenhouse gases from decomposing food waste and generating renewable power from the biogas produced during the anaerobic digestion process.

Today, 40% of food in the United States goes uneaten (more than 20 pounds of food per person every month). Approximately 18% of all refuse is food waste and more than 95% of this food waste (~35 million tons) is currently sent to landfills or incinerators. Combining these staggering statistics with the fact that soil is the largest storehouse of carbon on land and that 50 to 70% of the world's cultivated soils have lost their original carbon stock in the last few centuries reveals the magnitude of the problem that **Great Bay Fertilizer** is

addressing. For the first time, consumers will be able to use an organic fertilizer that performs like a synthetic, but actually heals the earth instead of harming it.

The separation of packaged foods is costly and limits the recycling process of food waste. The anaerobic digestion facilities that provide the digestate feedstock for **Great Bay Fertilizer's** nutrient recovery system employ a pre-processing system that removes packaging material from food waste prior to treatment in the digesters. The digestion process then captures the energy and nutrient value in the food waste using a cost-effective technology that is already in operation at hundreds of anaerobic digester facilities in Europe.

Headquartered in Portsmouth, New Hampshire, **Great Bay Fertilizer** is part of the Tavistock Group, a multibillion dollar investment entity with investments in more than 200 companies across 15 countries. **Great Bay Fertilizer** is developing anaerobic digestion and fertilizer manufacturing facilities throughout the U.S. Each facility will be able to recycle up to 30,000 tons of food waste per year and generate electricity locally that can power around 10,000 homes. We are excited to watch the growth of **Great Bay Fertilizer** in the sustainable ventures field – keep up the good work!



[Source: Great Bay Fertilizer]

Event Highlights

NECEC's Annual Legislative Roundup

Our friends at the Northeast Clean Energy Council (NECEC) are gearing up for their annual Policy Series event: 2016 Legislative Session Roundup. Taking place on August 2 in Boston, MA, this event will feature NECEC Executive Vice President Janet Gail Besser and NECEC's state coordinators. The team will provide an overview of key clean energy legislation that has emerged from 2016 state legislative sessions, including their thoughts on what to expect in the coming year. For more information, click here. Mintz Levin is a proud sponsor of NECEC.

AEE's Pathway to 2050

West Coast readers, this one is for you! Advanced Energy Economy (AEE) will host its annual California energy policy event on August 11 in Sacramento, CA. The event brings together an influential group of advanced energy business leaders and state policy-makers to discuss opportunities to accelerate California's economy through the growth of advanced energy. For more information, click here. Mintz Levin is a proud sponsor of both AEE and this particular event.

Washington Update

Congress

Congress is on recess until early September, having started the annual August recess early to accommodate the Republican and Democratic presidential nominating conventions held the last two weeks of July.

Just ahead of the July 15 deadline, the House and Senate approved a Federal Aviation Administration (FAA) reauthorization that runs through 2017. There was hope that the FAA measure would include the orphaned energy tax extenders left out of last December's consolidated appropriations bill, which did include an extension of the investment tax credit for solar. While the extenders for these orphaned energy technologies – including small wind, combined heat and power properties, thermal energy, and fuel cells – didn't make it into the FAA bill, there is still an effort to include them in a possible year-end tax package.

Several bills were introduced the week of July 11, which indicate that some in the Senate are gearing up for an end-of-year tax package:

- Sens. Heidi Heitkamp (D-ND) and Sheldon Whitehouse (D-RI) introduced a bill to incentivize the development and use of carbon capture, utilization, and storage technologies and processes. S. 3179 would promote carbon capture technologies by extending the 45Q tax credit, which encourages investment in carbon capture, utilization, and sequestration. Among other provisions, the bill also increases the "commence construction" window for carbon capture projects from five to seven years and increases the number of years to claim the credits from ten to twelve years. The bill is cosponsored by Sens. Jon Tester (D-MT), Brian Schatz (D-HI), Cory Booker (D-NJ), and Tim Kaine (D-VA).
- Sens. Chuck Grassley (R-IA) and Maria Cantwell (D-WA) introduced the *Biodiesel Tax Incentive Reform and Extension Act* (S. 3188), which would reform the biodiesel tax credit and extend the credit for three years. The bipartisan bill is cosponsored by Sens. Pat Roberts (R-KS), Heidi Heitkamp (D-ND), John Thune (R-SD), Sheldon Whitehouse (D-RI), Mark Kirk (R-IL), Martin Heinrich (D-NM), Joni Ernst (R-IA), Joe Donnelly (D-IN), Roy Blunt (R-MO), Mazie Hirono (D-HI), AI Franken (D-MN), and Patty Murray (D-WA).
- Sens. Martin Heinrich (D-NM) and Dean Heller (R-NV) introduced the Energy Storage Tax
 Incentive and Deployment Act (S. 3159), which would establish investment tax credits for
 business and home use of energy storage. The bipartisan bill is cosponsored by Sens. Brian
 Schatz (D-HI), AI Franken (D-MN), Jeff Merkley (D-OR), Angus King (I-ME), Jack Reed (D-RI),
 and Mazie Hirono (D-HI).

Sen. Lamar Alexander (R-TN) introduced legislation that would end the wind production tax credit (PTC) at the end of 2016, instead of on December 31, 2019 as currently scheduled. S. 3169 would instead divert \$8.1 billion in savings toward basic energy research at the Department of Energy's Office of Science.

On July 12, in a long anticipated move, the Senate voted to appoint conferees to the energy bill, naming Sens. Murkowski (R-AK), Barrasso (R-WY), Risch (R-SD), Cornyn (R-TX), Cantwell (D-WA), Wyden (D-OR), and Sanders (I-VT). House conferees were named in May and include Reps. Upton (R-MI), Barton (R-TX), Whitfield (R-KY), Shimkus (R-IL), Latta (R-OH), McMorris Rodgers (R-WA), Olson (R-TX), McKinley (R-WV), Pompeo (R-KS), Griffith (R-VA), Flores (R-TX), Mullin (R-OK), Bishop (R-UT), Young (R-AK), Lummis (R-WY), Denham (R-CA), Westerman (R-AR), Smith (R-TX), Weber (R-TX), Conaway (R-TX), Thompson (R-PA), Hardy (R-NV), Zeldin (R-NY), Pallone (D-NJ), Rush (D-IL), Capps (D-CA), Matsui (D-CA), Castor (D-FL), Sarbanes (D-MD), Welch (D-VT), Lujan (D-NM), Tonko (D-NY), Loebsack (D-IA), Grijalva (D-AZ), Huffman (D-CA), Dingell (D-MI), Peterson (D-MN), Johnson (D-TX), and DeFazio (D-OR). The House-passed bill (H.R. 8) faces a veto threat from the White House, while the Senate-passed bill (S. 2012) is seen as a more bipartisan effort. Over the upcoming congressional recess, lasting until early September, congressional staff will work to prepare for the conference committee to formally meet when congress returns. A final bill is expected after the November elections.

Rep. Evan Jenkins (R-WV) has introduced legislation to prohibit the Environmental Protection Agency from taking into account the social cost of carbon or the social cost of methane when taking any action. The *Transparency and Honest in Regulations Act* (H.R. 5668) is cosponsored by Reps. Steve Womack (R-AR), John Culberson (R-TX), Darin LaHood (R-IL), and Markwayne Mullin (R-OK).

The House approved the *Electricity Storage Innovation Act* (H.R. 5640), which was introduced by Rep. Lamar Smith (R-TX), and would create a new Electricity Storage Basic Research Initiative to expand theoretical and fundamental knowledge to control, store, and convert electrical energy to chemical energy and the inverse; and the *Solar Fuels Innovation Act* (H.R. 5638), which was introduced by Rep. Stephen Knight (R-CA), and would require the Department of Energy to carry out the Solar Fuels Basic Research Initiative to expand scientific knowledge about converting solar energy into chemical energy. Both bills authorize annual funding of \$150 million.

The House Natural Resources Committee unanimously approved bipartisan legislation aimed at modernizing the Bureau of Ocean Energy Management's (BOEM) offshore leasing process by allowing a transfer of oil and gas lease sales to an online system. *The Innovation in Offshore Leasing Act* (H.R. 5577) was introduced by Reps. Garret Graves (R-LA) and Alan Lowenthal (D-CA), and is cosponsored by Reps. Charles Boustany (R-LA), Ralph Lee Abraham (R-LA), John Fleming (R-LA), and Gene Green (D-TX).

The House defeated two amendments to the Fiscal Year 2017 Interior-EPA appropriations bill that would have prohibited offshore oil and gas drilling off the Florida coast. Specifically, the amendments would have blocked coastal Florida seismic testing which is needed before drilling could commence and would have blocked funding for studying offshore drilling in the Gulf of Mexico.

The House Natural Resources Subcommittee on Energy and Mineral Resources held a hearing July 13 on the *Public Land Renewable Energy Development Act* (H.R. 2663), which would encourage geothermal, solar, and wind energy projects on public lands. The bill is sponsored by Rep. Paul Gosar (R-AZ) and has 67 bipartisan cosponsors. On July 14, the House Natural Resources Subcommittee on Oversight and Investigations held a hearing on the status of Ivanpah and other federal loan-guaranteed solar energy projects on Bureau of Land Management lands.

Administration

The National Renewable Energy Laboratory has released a report titled "Deployment of Wind Turbines in The Built Environment: Risks, Lessons, and Recommended Practices."

The Department of Energy announced up to \$15 million to help improve the security and resilience of the

nation's power grid from cyber and physical attacks. The project, subject to congressional appropriations, is aimed at supporting efforts by the American Public Power Association (APPA) and the National Rural Electric Cooperative Association (NRECA) to "further enhance the culture of security within their utility members' organization." Over the next three years, the funding will allow APPA and NRECA to develop security tools, educational resources, updated guidelines, and training on common strategies that can be used to cultivate an improved cyber and physical security culture.

The Department of Energy has also announced nearly \$16 million in funding aimed at helping businesses move promising energy technologies from the department's National Laboratories to the marketplace. This is the first DOE-wide funding through the Technology Commercialization Fund (TCF) and will support 54 projects at 12 national labs involving 52 private-sector partners.

The Environmental Protection Agency has issued final methane rules for municipal solid waste (MSW) landfills. Under the new rules, new, modified and existing landfills will begin capturing and controlling landfill gas emissions with the goal of reducing the emissions of methane by 334,000 tons by 2025. This is at a level one-third lower than current requirements. EPA estimates the climate benefit to be at \$512 million in 2025.

The White House has announced the new Clean Energy Savings for All Initiative, which has a goal of ensuring that all Americans can opt to use solar as a means of reducing energy bills. The Initiative involves the Department of Housing and Urban Development (HUD), the Department of Agriculture (USDA), the Department of Health and Human Services (HHS), the Department of Veterans' Affairs (VA), and the Environmental Protection Agency (EPA). The Initiative's goal is to bring one gigawatt (GW) of solar to low- and moderate-income families by 2020.

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

Clean Energy Festival

July 31, 2016 Charlemont, MA

More Info »

NECEC's Annual Legislative Roundup

August 2, 2016 Boston, MA More Info »

AEE's Pathway to 2050

August 11, 2016 Sacramento, CA

More Info »

NEWIN Water Pitch Night – Focus on Nitrogen & Coastal Water Quality

August 17, 2016 TBD

More Info »

Energy Storage North America

October 4-6, 2016 San Diego, CA More Info »

AWEA Wind Energy Finance & Investment Conference 2016

October 5-6, 2016 New York, NY

Water & Long-Term Value 2

October 5-6, 2016 San Francisco, CA

More Info »

More Info »

emPOWERing Arkansas: AAEA's 5th Annual Meeting & Policy Conference

October 11, 2016 Little Rock, AR

More Info »

Cleantech Rebooted

September 8, 2016 San Francisco, CA

More Info »

Solar Power International

September 12-15, 2016 Las Vegas, NV

More Info »

Verge: Santa Clara September 19-22, 2016 Santa Clara, CA

More Info »

NECEC's Energy Storage Forum

September 20, 2016

Boston, MA More Info »

2nd World Energy Security Forum

September 22, 2016 New York, NY

More Info »

GTM's New York Rev Future

September 27-28, 2016

Brooklyn, NY

More Info »

International Offshore Wind Partnering

Forum

October 2-5, 2016 Newport, RI

More Info »

LACI Cleantech Global Showcase:

GLOSHO16

October 3-4, 2016 Los Angeles, CA

More Info »

NEWIN Water Pitch Night - Focus on Water

IT and Analytics

October 12, 2016

TBD

More Info »

2016 Getting to Zero Forum

October 12-14, 2016

Denver, CO

More Info »

NEWIN/WPI Water-Innovation Workshop

October 24, 2016

TBD

More Info »

More Info »

More Info »

NECEC's 9th Annual Green Tie Gala

October 25, 2016 Boston, MA

GTM's U.S. Solar Market Insight

October 25-26, 2016 San Diego, CA

Keystone Energy Efficiency Alliance (KEEA)

Conference

October 25, 2016 Harrisburg, PA

More Info »

AWEA Offshore WINDPOWER 2016

October 25, 2016 Warwick, RI More Info »

NEWIN/MIT Water Summit

November 18-19, 2016

TBD

More Info »

Contacts

Thomas R. Burton III

Member Chair, Energy Technology (Boston) 617.348.3097

TRBurton@mintz.com

Sahir Surmeli

Member Co-chair, Energy Technology (Boston) 617.348.3013

SSurmeli@mintz.com Lisa Adams

Member Intellectual Property (Boston) 617.348.3054

LAdams@mintz.com

Ralph A. Child

Member Environmental (Boston) 617.348.3021 RChild@mintz.com

Hannah C. Coman

Associate Corporate & Securities (Boston) 617.348.1703 HCComan@mintz.com

William "Mo" Cowan

Of Counsel Litigation Senior Vice President & Chief Operating Officer ML Strategies (Boston) 617.348.1600 MCowan@mlstrategies.com

Daniel I. DeWolf

Member Co-chair, Venture Capital & Emerging Companies;

Corporate & Securities (New York) 212.692.6223

DDeWolf@mintz.com

Paul H. Dickerson

Of Counsel Corporate & Securities (Washington) 202.460.9286

PHDickerson@mintz.com

Meryl J. Epstein

Member Corporate & Securities (Boston) 617.348.1635

MJEpstein@mintz.com

Gregory S. Fine

Member Corporate & Securities (Boston) 617.348.3003 GSFine@mintz.com

Ian Hammel

Member Bankruptcy, Restructuring & Commercial Law (Boston) 617.348.1724 IAHammel@mintz.com

Irwin M. Heller

Member Corporate & Securities (Boston) 617.348.1654 IHeller@mintz.com

Kanasha S. Herbert

Associate Corporate & Securities (Boston) 617.348.3015 KSHerbert@mintz.com

Haeiin Hwang

Project Analyst 617.348.4450 HHwang@mintz.com

Ken Jenkins, PhD

Member Intellectual Property (San Diego) 858.314.1082 KJenkins@mintz.com

Jonathan L. Kravetz

Member Chair, Securities: Corporate & Securities (Boston) 617.348.1674 JLKravetz@mintz.com

Cynthia J. Larose

Member Corporate & Securities (Boston) 617.348.1732 CJLarose@mintz.com

David J. Leiter

President, ML Strategies, Washington, DC ML Strategies (Washington) 202.434.7346 DJLeiter@mlstrategies.com

Lindsay Leone

Associate Public Finance (Boston) 617.348.1728 LFLeone@mintz.com

R.J. Lvman

Member Corporate & Securities, Project Development & Finance (Boston) 617.348.1789 RLyman@mintz.com

Conlan Orino

Project Analyst (Boston) 617.239.8327 CJOrino@mintz.com

Jeffrey R. Porter

Member Environmental (Boston) 617.348.1711 JPorter@mintz.com

Jennifer Sacco Smith

Associate Real Estate (Boston) 617.348.1678 JSaccoSmith@mintz.com

Chuck A. Samuels

Member Antitrust/Energy Efficiency (Washington) 202.434.7311 CASamuels@mintz.com

Gabriel Schnitzler

Member Real Estate (San Francisco) 415.432.6004 GSchnitzler@mintz.com

Donald W. Schroeder

Member Employment, Labor & Benefits (Boston) 617.348.3077 DSchroeder@mintz.com

Terri Shieh-Newton, PhD

Member Intellectual Property (San Francisco) 415.432.6084 TShieh-Newton@mintz.com

Matthew T. Simpson

Associate Corporate & Securities (Washington) 202.434.7436 MTSimpson@mintz.com

Kaoru Suzuki

Associate Corporate & Securities (Boston) 617.348.1847 KCSuzuki@mintz.com

Stanley A. Twarog

Member Corporate & Securities (Boston) 617.348.1749 STwarog@mintz.com

Paula J. Valencia-Galbraith

Associate Corporate & Securities (Boston) 617.210.6854 PVGalbraith@mintz.com

Susan L. Foster, PhD

Member Corporate & Securities (London) +44.20.7776.7330 SFoster@mintz.com

Bill Geary

Member Intellectual Property (Boston) 617.348.3046 WGeary@mintz.com

Kristin A. Gerber

Associate Corporate & Securities (Boston) 617.348.3043 KAGerber@mintz.com

Jeremy D. Glaser

Member Corporate & Securities (San Diego) 858.314.1515 JDGlaser@mintz.com

Audrey C. Louison

Member Chair, Project Development & Finance (Washington) 202.434.7380 ALouison@mintz.com

Eric Macaux

Associate Corporate & Securities, Project Development & Finance, (Boston) 617.348.1677 EWMacaux@mintz.com

Jeffrey A. Moerdler

Member Real Estate, Communications, Environmental (New York) 212.692.6700 JAMoerdler@mintz.com

David L. O'Connor

Energy Technology
ML Strategies (Boston)
617.348.4418

Senior Vice President for

DOConnor@mlstrategies.com

Michael D. Van Loy, PhD

Member Intellectual Property (San Diego) 858.314.1559 MDVanLoy@mintz.com

Katy E. Ward

Associate
Environmental (Boston)
617.348.1850
KEWard@mintz.com

William F. Weld

Member Corporate & Securities Principal ML Strategies (Boston, New York, Washington) 617.348.4412 BWeld@mintz.com

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