

Canada's Veridian Chooses Ice Energy Project to Help Reduce Peak Electricity Demand

Ice is a SAIL I & II portfolio company

Ice Energy, a leading provider of smart-grid enabled, advanced energy storage solutions announced a new distributed energy storage project with Canadian-based utility Veridian Connections that will help lower summer peak electrical demand in the Eastern Ontario region.

The pilot project is funded by a grant from the Ontario Power Authority under its Conservation Fund program, which supports the development of a reliable and sustainable electricity system by funding innovative conservation programs that can be scaled to achieve significant energy savings in the Province of Ontario.

By leveraging the benefits of more efficient nighttime power generation, storing it directly on individual buildings, and dispatching it during times of peak demand, Ice Energy's Ice Bear energy storage solution enables utilities to use off-peak energy to meet daytime air conditioning demand, the single largest contributor to peak summer loads.

"Energy storage systems like the Ice Bear have the potential to help customers and utilities improve energy system efficiency and grid reliability," said Michael Angemeer, President and CEO of Veridian.

"Through its leadership in innovative energy conservation programs like this one, it's clear Veridian is committed to helping its customers to conserve electricity and save money," said Chris Tomasini, Business Development Manager for Ice Energy. "By enabling commercial customers to shift cooling loads to lower priced off-peak electricity rates, the Ice Bear pilot demonstrates Veridian's commitment to finding innovative solutions that will form the cornerstone of the sustainable communities of tomorrow. We're pleased to have them as our partner in Eastern Ontario for this groundbreaking project."

With the introduction of the Green Energy Act, the Ontario Power Authority's funding guidelines were updated to allow local distribution companies (LDCs) to apply for pilot project support through its Conservation Fund. Veridian, along with Toronto Hydro, are the first LDCs to



ICE ENERGY

take advantage of the change – receiving \$350,000 in funding. A total of 12 Ice Bear units will be installed within the utilities' respective service areas.

"Ontario is leading the way to a cleaner, reliable and sustainable electricity system, from our feed-in tariff program for renewable energy, to our portfolio of conservation programs," said Colin Andersen, Chief Executive Officer at the Ontario Power Authority. "The Conservation Fund provides a crucial forum for those harnessing the potential of innovative approaches to conservation, offsetting the future need to build expensive generation and giving Ontario a cleaner, greener tomorrow. We are proud to contribute to this successful project."

SAIL is the first institutional investor in Ice Energy.



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- SAIL sponsors Cleantech OC 2010 (Sept 2010)
- FlexEnergy nominated as Cleantech Company of the Year at by Cleantech OC (Sept 2010)
- Dow Kokam sponsors Interactive Battery System Solution Center at Paris Motor Show (Sept 2010)

Xtreme Power Announces Castle & Cooke Project

Xtreme is a SAIL I & II portfolio company

The Castle & Cooke Hawaii solar farm on Lanai known as La Ola is partnering with Xtreme Power to create a battery system.

The plan is for Xtreme Power, a battery storage technology company based in Kyle, Texas, to help smooth out the power feeding into Lanai's electric grid.

"The battery will help boost the current output of the solar farm," said Harry Saunders, president of Castle

& Cooke Solar Management. "It doesn't have so much to do with storage, but to help with cloud coverage. It really helps smooth out the system."

The state's largest solar farm is currently operating at half capacity, or about 600 kilowatts. With the help of Xtreme Power's technology, called the Dynamic Power Resource, Castle & Cooke hopes to increase capacity by 200 kilowatts a month until it reaches 1.2 megawatt capacity. Xtreme Power expects to have the battery in

place by September of next year at an undisclosed cost.

La Ola is capable of supplying 30 percent of Lanai's peak electrical demand, and 10 percent of total energy needs. It is also providing the state with information on the affects of high-penetration, intermittent energy on the electric grid.

The technology could be expanded to grids on other islands, according to Saunders.



California Leads Nation in Clean Energy Policies

In the race for clean technology leadership, California has distinguished itself at the head of the pack and has reaped the benefits from increases in cleantech investment, employment, and widespread technology deployment.

The Global Warming Solutions Act (AB 32), passed in 2006, has been identified as one of the important catalysts for driving California's continued cleantech leadership.

From 2006 through June 2010, California clean technology companies have accounted for the most venture capital — both by number of deals and total dollars raised. California companies received 40% of all dollars that have flowed into market categories related to AB 32.

Many companies have moved operations to California to take advantage of its clean energy policies and markets, including Kyocera Solar, Silver Spring Networks, Electric Vehicles International and Propel Fuels.

The Cleantech Group's new report finds that every state has now enacted legislation in an attempt to accelerate the adoption of clean energy technologies. States are also seizing opportunities to attract new companies, jobs, and investment.

Out of a list of 15 identified clean energy policies, 22 states have 11 or more clean energy policies in place.

Clean energy legislation and clean technology is not limited to traditional venture-backed states like

California, Massachusetts, and New York. With New Mexico, Minnesota, and Wisconsin leading, we observe that some states in the sun-belt (Arizona, Texas, Utah, New Mexico, and Florida) and in the rust-belt (Pennsylvania, Ohio, Minnesota, Illinois, Michigan, and Wisconsin) have at least ten clean energy policies and are also up-and-coming leaders in clean technology investments.



Ice Energy Named Platts Global Energy Finalist

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Ice Energy has been named a finalist for the prestigious 2010 Platts Global Energy Award, an annual competition honoring top achievers in the utility industry.

Now in its 12th year, the international Platts Global Energy Awards are considered by the energy industry to represent the pinnacle of excellence. Finalists are selected by an elite panel of judges representing world governments, regulatory agencies, corporations and academia that base evaluations on key criteria such as innovation, strategic vision, commercial viability and leadership.

Ice has been recognized in the category of "Sustainable Technology Innovation of the Year," which honors

innovative technology advances in the saving, making or cleaning up of energy. The Judges, noting that "the world will achieve carbon neutrality only through groundbreaking technological breakthrough on both the supply side and the demand side," evaluated nominees on the research, development and commercialization potential of their technologies.

This year's selection marks the second in two years for Ice Energy as it was a finalist in 2009. This year Ice Energy was selected from among nearly 300 nominated companies from more than 30 countries, including technologies focused on renewable energy, carbon capture and storage, smart grid or smart metering systems, energy storage devices, advanced propulsion systems and electric/hybrid transport.

By leveraging the higher efficiencies associated with generating and transmitting power off-peak, storing it at thousands of distributed locations, and dispatching it during times of peak demand, Ice Energy's grid-scale distributed energy storage systems represent a transformational new energy solution equivalent to thousands of megawatts of clean peaking power for utilities.

"The annual Platts awards have become synonymous with excellence and achievement within the energy and utility industry, and we are truly honored to be recognized in such esteemed company," said Ice CEO Frank Ramirez.

Winners of the 2010 Platts Global Energy Award will be announced Dec. 2, 2010 at a gala awards ceremony in New York City.



FlexEnergy Hires New Director of Government Affairs

Flex is a SAIL II portfolio company

FlexEnergy, a company able to create clean energy with near zero emissions from harmful greenhouse gases, announces that Mike Levin, co-founder of CleanTech OC (www.cleantechoc.org), will join the company as Director of Government Affairs.

Mr. Levin has most recently served as an attorney at Bryan Cave LLP, focusing his practice on governmental affairs and environmental law.

The announcement comes on the heels of FlexEnergy's August 12, 2010 inaugural

installation of the Flex Powerstation technology allowing facilities like landfills to transform harmful and previously unusable methane gas into clean energy.

FlexEnergy CEO Joseph Perry states, "We're very excited to bring Mike Levin aboard at FlexEnergy. His extensive background in the government and public affairs arena, along with his cleantech experience, is tremendously valuable to our team."

Through December, Mr. Levin will continue to serve as interim Executive Director

of CleanTech OC, a non-profit organization dedicated to serving the needs of existing cleantech companies and providing opportunities for future clean tech investments in the Orange County region.

Prior to joining Bryan Cave, Mike Levin was Vice President of a clean technology startup company. Throughout the last decade, Mr. Levin has worked on a variety of local, state and national political campaigns. He graduated from Duke Law School and Stanford University and has also completed a Coro Foundation fellowship in Public Affairs.





SAIL Venture Partners (www.sailvc.com) is a leading cleantech venture capital firm with a global vision of technologies, markets and opportunities. We invest in cleantech companies with proven technologies, visionary leadership and exciting growth potential. We have invested in a number of today's leading cleantech companies including: The Cleantech Group, Xtreme Power, Ice Energy, Dow Kokam, Enerpulse, Activeion, SNTech, FlexEnergy, Paragon Airheater Technologies, M2 Renewables and WaterHealth International. SAIL has offices in California, New York, and Washington D.C. and a global network of investors and advisors.

Congratulations to the Private Equity Manager of the Year

SAIL Venture Partners congratulates **Charlesbank Capital Partners** on being named "Private Equity Manager of the Year" at Foundation & Endowment Money Management's 2010 Non-Profit Awards for Excellence.

The award recognizes the private equity manager who most stands out for its successes, achievements and contributions over the past year. Nominees and winners were selected after industry-wide due diligence by the editorial team of Institutional Investor's Foundation & Endowment Money Management's newsletter. After this global diligence, only three firms were nominated, including **SAIL Venture Partners** and **Adam Street Partners**. Decision criteria included such factors as strong fund performance and a reputation for transparency with its clients, with industry feedback playing a critical role in the process.



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Sources:

- PRNewswire
- Cleantech Group
- Reuters
- Marketwire
- CNBC
- Forbes
- New York Times
- Greentech Media
- Bloomberg
- Bloomberg Businessweek
- Pacific Business News

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Speaking of SAIL

Nov 3-4 - Los Angeles

Hank Habicht will be a panelist at the Los Angeles Cleantech Focus. His panel will focus on the opportunity of water reuse and its ability to diversify water sources.

Oct 11-13 - New York

Hank Habicht will be a panelist at the New York Cleantech Forum. His panel will focus on Electric Vehicles and their potential to go mainstream and provide a widespread solution.

Oct 8 - Palo Alto, CA

Mike Hammons will be a Judge at the 2010 Cleantech Open competition. The Cleantech Open is a nationally recognized contest of companies that are awarded funds based on their placement.

Sept 28 - Chicago

Hank Habicht was a keynote speaker at the 2010 Water Innovations Alliance Conference. The conference focus was to educate attendees on new water technologies, innovations and prospects.

Sept 27 - Irvine, CA

Dave Jones was a panelist at the Cleantech OC 2010 Conference. His panel focused on the state of private investment in cleantech.

Sept 21 - San Diego

Walter Schindler was a panelist at the 8th Annual IMN Alternative Investment Summit. His panel focused on the venture capital sector and the opportunity to invest in cleantech.