OVERVIEW

SAIL CAPITAL PARTNERS (www.sailcapital.com)

SAIL was founded in 2002 as a pioneer in the cleantech investment sector and continues to be one of the sector’s recognized thought leaders. Our comprehensive portfolio currently includes fourteen leading companies spanning the universe of sustainable innovations in the areas of energy storage and efficiency, renewable fuels, electrical efficiency, green cleaning products and water purification.

In this era of profound changes in the way we produce and consume valuable resources, SAIL focuses on exceptional profit opportunities as a result of inefficiencies in the global markets. Our tea of uniquely talented investors employs their decades of experience and cleantech-related networks to the most exciting venture investment opportunities.
Energy efficiency is the cheapest method of providing Americans with electricity, according to a new report released by the American Council for an Energy-Efficient Economy (ACEEE).

Energy efficiency programs aimed at reducing energy waste cost utilities about 2.8 cents per kilowatt hour, while generating the same amount of electricity from sources such as fossil fuels can cost two to three times more.

“The cheapest energy is the energy you don’t have to produce in the first place,” said ACEEE Executive Director Steven Nadel.

The report “The Best Value for America’s Energy Dollar: A National Review of the Cost of Utility Energy Efficiency Programs” looks at the cost of running efficiency programs in 20 states from 2009 to 2012 and finds an average cost of 2.8 cents per kWh—about one-half to one-third the cost of alternative new electricity resource options.

Just prior to the ACEEE report, Lawrence Berkeley National Laboratory released a report that found that energy efficiency programs that are paid for by utility customers cost, on average, about two cents per kilowatt-hour saved. The report did acknowledge that 2 cents was lower than other research groups had calculated, but said that perhaps it was because the Berkeley Lab study contained the largest sample of programs to date.

According to the ACEEE report, each dollar invested in electric energy efficiency yields $1.24 to $4.00 in total benefits for all customers, which include avoided energy and capacity costs, lower energy costs during peak demand periods like heat waves, avoided costs from building new power lines, and reduced pollution.
Alain Castro, CEO of Ener-Core Inc. (ENCRT:OTC BB), was recently interviewed by CEOCFO Magazine. The following segments give an overview of Ener-Core’s technology and value proposition.

CEOCFO: Mr. Castro, what is Ener-Core?

Ener-Core is a company that is deploying a game changing technology to the waste and energy industries; for the first time in history, a large percentage of the industrial waste generated from industrial activity in all continents of the globe can be converted into power in an economically attractive manner. At the same time, Ener-Core’s technology can neutralize the contaminants in those waste streams that contribute to our air pollution.

CEOCFO: Is it the best of both worlds?

It has long been sought after by both environmentalists as well as the energy industries alike. Most environmental solutions represent a way of cleaning our air or cleaning our water or neutralizing our soil or something that is of benefit to our environment, but unfortunately they represent a cost burden to industrial activity. The exciting thing is, as you just said, what Ener-Core is providing is the best of both worlds in that we can now solve or mitigate or neutralize a huge source of air pollution in a manner that is actually profitable to the industries that generate this air pollution.

CEOCFO: Would you please explain the science and technology behind what you have available?

Certainly. All of us have been raised in a world where the generation of energy from fossil fuels equates to combustion. Combustion powers our power plants, powers our cars and our airplanes. Combustion is a chemical reaction, and it is combustion that we implicitly think of when we think of power generation. Our technology is utilizing a similar, albeit slower chemical reaction called oxidation. Oxidation occurs in nature. Most of us, in layman’s terms, think of oxidation as a rusty tail pipe. However, oxidation at the basic level is the reaction of any element with oxygen. Therefore, oxidation happens in nature to most air pollution streams from industrial waste. Unfortunately, it just takes many years for all of this air pollution to react with oxygen and get neutralized, and in the process the pollution does a lot of damage to the air quality of our atmosphere. We have found a way to accelerate an oxidation reaction, so it does not take years; it actually takes one to three seconds. The thing about oxidizing gases versus combusting them is that when you oxidize a gas you can almost completely destroy all of the contaminants and undesirable compounds in that gas. We have achieved rates of 99.8% destruction of contaminants in the gas streams.
The other convenient effect of an oxidation reaction is that when accelerated it puts out an immense amount of heat. Therefore, with this accelerated oxidation reaction, we are able to take an industrial waste gas, mix it with an immense amount of air from the atmosphere and induce an oxidation reaction in one to three seconds, destroying almost all of the contaminants in that waste stream, while at the same time generating heat. We then take that heat, and we work with turbine manufacturing partners to integrate their standard turbines such that the turbines will receive our heat output and convert it to electricity, which can then be plugged directly into an electrical grid and power an entire town.

CEOCFO: Is it a piece of equipment that you are installing? How big and how massive?

We design and manufacture sophisticated equipment. We are manufacturing them in different sizes. We have a two 250 kilowatt size, which can power about 250 to 300 homes. We are also releasing a 2 megawatt size that can power up to approximately 2500 homes. Then we are going to be scaling up to 5 megawatts and 10 megawatts in the next two to three years. The sizes of our current products are effectively 22 to 25 feet high. The smaller unit is six feet wide. The larger units will increase to about eight feet in width.

CEOCFO: What might people miss or misunderstand about Ener-Core when they look? What should they realize that may be a little below the surface?

I think that companies might mistakenly see Ener-Core as just another microcap company. We have completed a fairly intense R&D phase over 10 years. We are just starting into market deployment and we are listed OTC, which is microcap. I think that when investors look at microcap companies they just stereotype microcap companies as small companies which may become medium size companies over time. There are not many companies that have a true breakthrough technology that stands to be deployed into a new market of this magnitude—77 billion dollars. Therefore, what I think people might misinterpret is that this is a microcap company and just categorize us as such, when in fact the likelihood of us remaining a microcap company for longer than six to eight months is quite small. I think most people, when they take a closer look, will realize that we are quite rapidly going to become a significant company within the energy and waste industries by helping to solve a real global problem in a profitable manner.

CEOCFO: Why pay attention to Ener-Core today?

The answer is fairly simple. There are very few environmental solutions out there that can exist in complete absence of legislation and subsidies. Most renewable power technologies are only competitive today because local or regional or country incentives allow them to be or give them that extra financial support they need to be competitive with traditional power. What we have here is a technology that solves a massive environmental problem, which is air pollution, while at the same time generating profits for the companies that have these waste streams that generate this pollution. And at the same time, the companies that generate power with Ener-Core’s technology can compete with traditional power technologies in full absence of incentives or legislation. That is really the holy grail of what most investors in renewable power are looking for: clean energy technologies that will remain competitive, even if legislation were to be reduced.

To see full interview, please visit http://ceocfointerviews.com/interviews/Ener-Core14.htm
Enerpulse Teams Up with ReCARnation

Enerpulse Technologies Inc. (ENPT:OTC US) has recently joined with ReCARnation, an Albuquerque company that sells and rents used cars, in an agreement to use their Pulstar technology to replace traditional spark plugs in ReCARnation’s vehicles.

“The beauty of this partnership is that neither Marc [Powell] nor I are ‘car guys’ per se”, said Lou Camilli, president and founder of Enerpulse. “Our companies each have a mission to break through the old traditions of the automotive business by delivering the maximum value to our customers.

In a statement, ReCARnation President Marc Powell said, “The Pulstar technology takes our LifeXtend service to an even higher level. Now we are offering a performance value proposition not found anywhere else in the industry.”

Enerpulse makes plugs based on its patented Precise Combustion Ignition technology.

CNS Response Featured in “The Life Science Report”

In a recent interview with The Life Sciences Report, Hugh Cleland and Stephen Ireland from Roadmap Capital discussed CNS Response Inc. (CNSO:OTC US) as their “bonus pick” growing microcap company. Here is an excerpt from the interview highlighting CNS:

“We became involved with CNS Response Inc. a while ago, and although it is already a winner for us, we expect much more. The company’s technology combines EEG brain scan data with a large database of prescription outcomes to improve the ability of physicians to prescribe the “right” medication for psychiatric disorders, without going through what is often a lengthy or unsuccessful trial-and-error process. The company website actually does a good job of describing what they do and why what they do is important.

The first big market that CNS Response can address is post-traumatic stress disorder (PTSD). The Walter Reed National Military Medical Center is now leading a 2,000-soldier, multisite, randomized, controlled trial of the PEER system, focused on depression. If successful, this study should lead to widespread adoption of the CNS PEER system by the U.S. military, which seeks to reduce the horrifically high PTSD-linked suicide rate. Results are expected in Q2/14. If the trial is successful, CNS should trade at multiples of its current price.”
SAIL Capital Partners (www.sailcapital.com) is a leading cleantech investment firm with a global vision of technologies, markets and opportunities. We invest in cleantech companies with proven technologies, visionary leadership, measurable impact and exciting growth potential. We have invested in a number of today’s leading cleantech companies including Xtreme Power, Ice Energy, The Cleantech Group, Enerpulse, SNTech, Flex Power, Paragon Airheater Technologies, M2 Renewables, Clean Technology Solutions, CNS Response and WaterHealth International. SAIL has offices in California, Toronto, New Orleans and Washington D.C. as well as a global network of investors and advisors.

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**SOURCES**

- Energy Manager Today
- CEOCFO Magazine
- BizJournals.com
- Street Wise Reports