



Venture Capital Funding Quarterly

Alternative Energy • Clean Technology Energy • Environmental

1st Quarter, 2011 – United States

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Summary

During the first quarter of 2011, a total of 53 companies received \$779 million in disclosed venture capital funding, representing a 10% increase in the number of companies being funded and a 32% increase in the total amount funded in the four sectors of Alternative Energy, Clean Tech, Energy and Environmental.

All sectors except Clean Tech showed deal funding volume percentage increases, continuing the previous quarter overall increase. All sectors except Clean Tech showed an increase in the number of companies funded.

Funding Activity

Alternative Energy

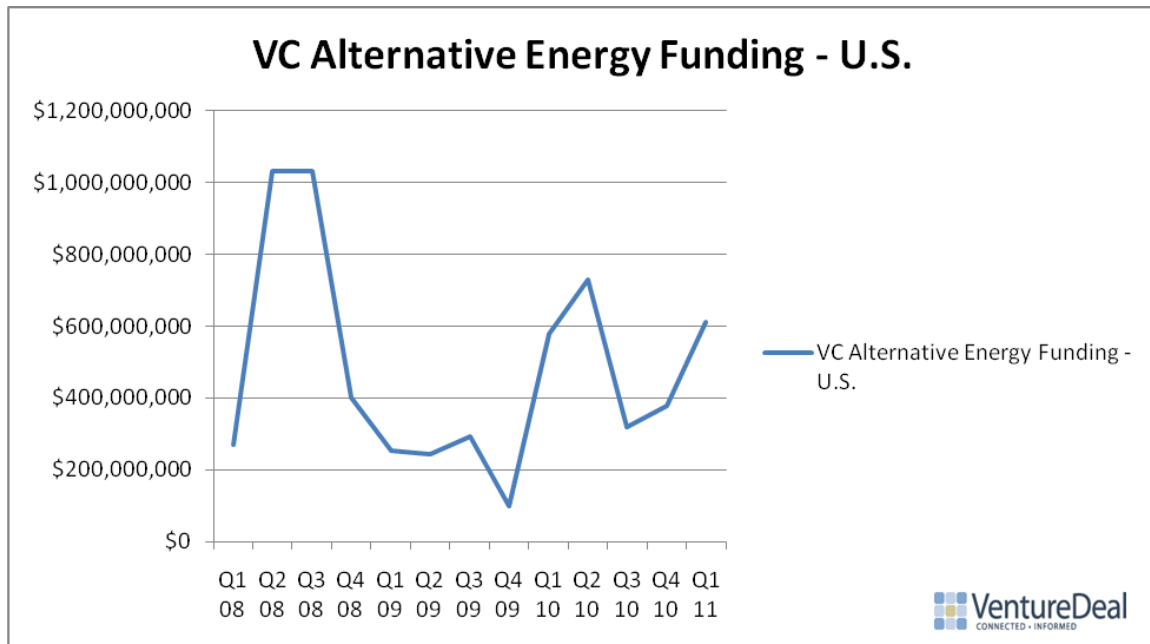
Alternative Energy companies, which include solar, biofuels, wind power, hydrogen and other non-fossil fuel energy developers, continued to receive the largest share of funding of the four industry sectors. 34 companies received \$610 million in venture capital financing, which represented a 31% increase in the number of companies being funded and a 61% increase in funding amounts versus the fourth quarter of 2010.

In the solar space, [BrightSource Energy](#) raised \$202 million, according to an SEC regulatory filing. The company develops utility-scale solar power plants using high-temperature solar thermal concentrator technology. BrightSource is backed by a syndicate of venture capital, private equity and strategic investors.

In the biofuels space, [Fulcrum Bioenergy](#) secured \$75 million in its third round of venture capital financing. [Rustic Canyon Partners](#) has been a major investor in the company. Fulcrum said it would use part of the financing to fund the equity portion of its planned commercial scale production facility to convert household garbage to ethanol.

In the wind energy space, Wind Power Holdings garnered \$12.7 million according to an SEC regulatory filing. Wind Power, through its subsidiary [Northern Power](#), develops wind turbines for commercial wind energy farms used around the world. Company investors include venture capital firm [Rockport Capital Partners](#) and Allen & Company.

Chart 1



Clean Technology

Clean Technology deal volume continued its previous downward trend by showing a 46% decrease to \$71 million in total funding among 6 companies, a 40% decrease in the number of companies funded versus the previous quarter.

Waltham, Massachusetts-based [Harvest Power](#) accounted for \$51.7 million of total sector funding with its second round financing. The round was funded by a long list of top-tier venture capital, private equity and venture lending firms.

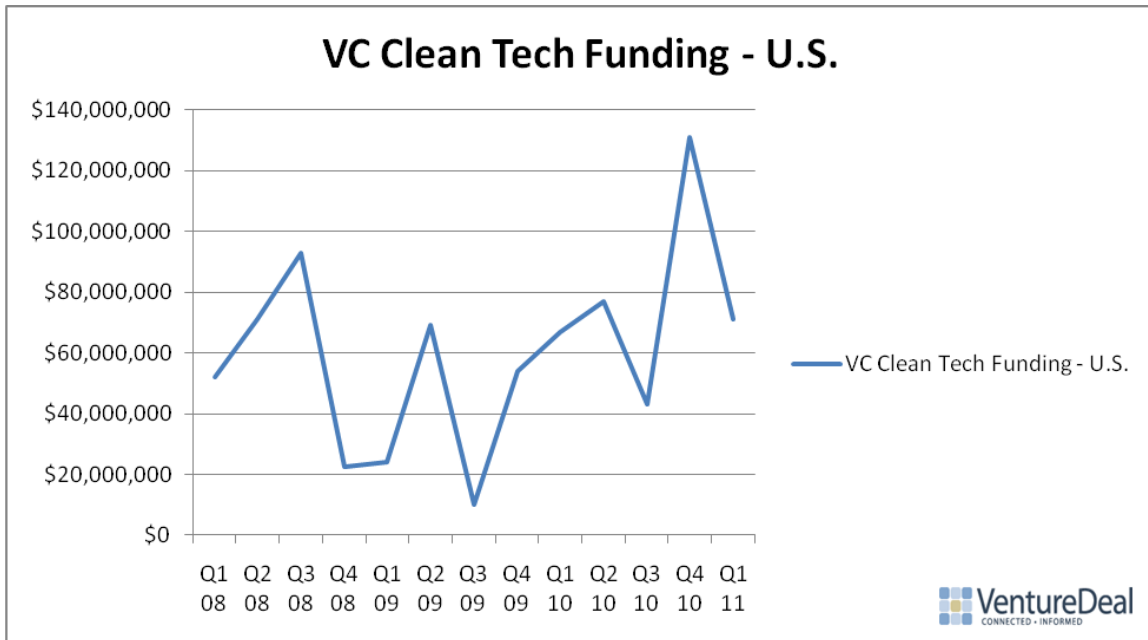
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Harvest said it would use the new capital to expand its platform throughout North America and add additional technologies. The company produces soil enhancement products and renewable energy from discarded organic materials.

Catalytic technology company [Rypos](#) raised \$3.15 million from private equity firm [Craton Equity Partners](#) and other undisclosed investors in an unpublished financing round. The company provides emissions reduction solutions based on its electrically self regenerating filters and catalytic devices.

Arizona-based [Yulex](#) received \$15 million during the quarter for its technologies to "create medical and biobased industrial products from guayule." Argonaut Private Equity made the investment. The company did not disclose how the funding proceeds would be used.

Chart 2



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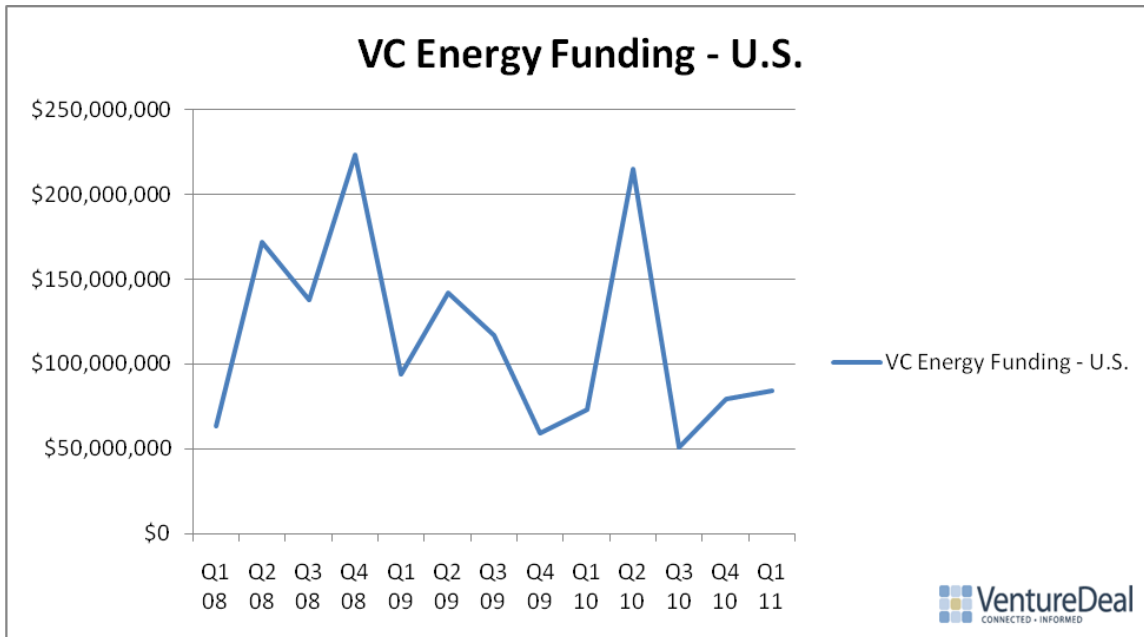
Energy

Venture-backed Energy company fundings increased by 6% compared to the previous quarter. The number of companies funded was unchanged at 12 when compared to the previous quarter. The average size of funding rounds rose from the previous quarter's \$6.6 million to \$7 million.

Energy storage company [Deeya Energy](#) added \$1.87 million in new venture capital investment to its coffers, in an unpublished round. The company is developing what it calls "novel energy storage devices for load-shifting UPS and renewable energy industries."

In the nuclear space, [Hyperion Power Generation](#) received \$2.9 million in new funding from the [Altira Group](#). Hyperion is developing a hydride nuclear reactor that it contends is self-regulating with no moving parts. The company says that this type of technology can bring the benefits of nuclear power to locations where the option is not currently available. Altira has supported the company with funding for several years.

Chart 3



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Environmental

The Environmental sector had one transaction for the quarter, versus no transactions during the previous quarter.

San Diego, California-based [ecoATM](#) garnered \$14.4 million in its first institutional venture capital investment round. [Claremont Creek Ventures](#) led the round, which also included venture lender [Silicon Valley Bank](#) and other undisclosed investors. The company said the funding would be used for commercialization and product launch.

Chart 4

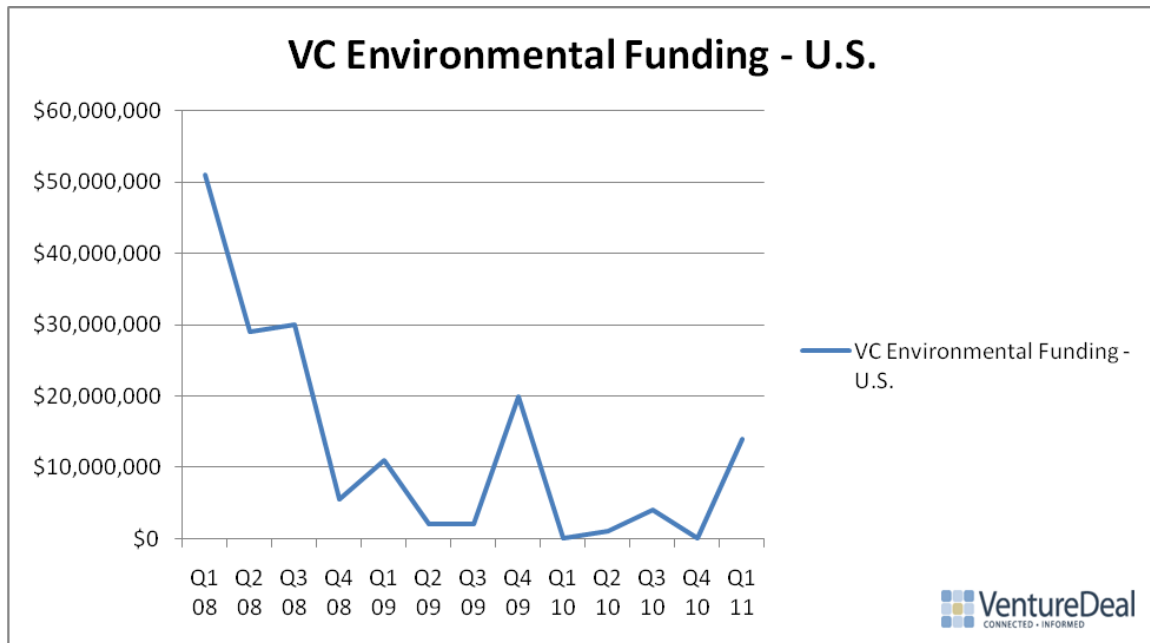


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Table 1

Venture Funding Activity – 1st Quarter 2011

Industry	Total Disclosed Funding	% Change Vs. Prior Quarter	Number of Companies Funded	% Change vs. Prior Quarter
Alternative Energy	\$610 Million	+ 61%	34	+ 31%
Clean Technology	\$71 million	- 46%	6	- 40%
Energy	\$84 million	+ 6%	12	--
Environmental	\$14 million	+ 100%	1	+ 100%
Total	\$779 million	+ 32%	53	+ 10%

Notes

This report was prepared by the staff of VentureDeal, LLC.

The information source used was the VentureDeal.com database. VentureDeal is a venture capital database that provides the latest information about venture-backed technology companies, venture capital funds and venture capital financing in the United States.

The database obtains transaction and company information from a wide variety of reputable public and private sources. While this report is free of charge, users may view the individual transactions supporting the totals herein by subscribing to VentureDeal.

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