

Media FAQ

HOW HAS THE CLEAN ENERGY CHALLENGE GROWN SINCE 2011?

Total prize funding available to Midwest clean energy startups through the Clean Energy Challenge has grown from \$130,000 at the inaugural event in 2011 to \$1 million at the fifth annual event to be held on April 14, 2015. In addition to a nearly tenfold increase in startup funding, the Clean Energy Challenge has developed into a nationally recognized showcase that brings energy leaders and visionaries to Chicago each year. For example, in 2014 Clean Energy Trust hosted NRG Energy CEO David Crane and philanthropist Tom Steyer as keynote speakers.

WHAT IMPACT HAS THE CLEAN ENERGY CHALLENGE HAD?

Since 2011, Clean Energy Trust has awarded \$2.2 million in total prize funding to Clean Energy Challenge finalist companies, which have gone on to raise \$46 million of follow-on funding, create nearly 300 jobs and file more than 40 patents and disclosures.

WHAT PROBLEM IS THE CLEAN ENERGY CHALLENGE SOLVING?

On average, there has only about \$5.5 million in annual seed funding for Midwest energy startups (source: PricewaterhouseCoopers). We need more sources of early-stage capital to help energy companies and entrepreneurs cross the “Valleys of Death” that young businesses face. Since 2010, Clean Energy Trust has been helping launch, fund and grow Midwest clean energy startups through the Clean Energy Challenge.

DOES CLEAN ENERGY TRUST PROFIT FROM ITS INVESTMENTS?

As a 501c3 nonprofit, Clean Energy Trust has leveraged federal and state grants and charitable contributions from the private sector to support clean energy startups. In some instances, Clean Energy Trust provides grant funding to startups, which does not produce a return. In other cases, Clean Energy Trust funds companies with entrepreneur-friendly convertible notes or through direct equity investments. All returns from these investments are recycled back into the market for investment in the next generation of clean energy startups. The Clean Energy Trust staff and board does not profit directly from these investments. Contributions can be made into the fund and interested parties should contact the CEO, Amy Francetic.

ARE GOVERNMENT FUNDS AWARDED AT THE CHALLENGE?

Yes. Clean Energy Challenge finalists will compete for awards supported by both the US Department of Energy and the Illinois Department of Commerce & Economic Opportunity.