URL: https://stvp.stanford.edu/blog/videos/government-stimulus-for-the-clean-energy-sector

At the time of this lecture, state and federal stimulus dollars for clean energy had been promised, but specific terms for who would receive those dollars had yet to be defined. Steve Perricone, Co-founder of BioFuelBox, talks about his fruitless trip to Washington, DC and the decisions being made surrounding the funding of clean energy. And, Jennifer Scott Fonstad, Managing Director of venture capital firm DFJ, discusses the necessity of companies like BioFuelBox to establish a consortium of both industrial food waste producers and those on the energy side. Her hope is that a collective effort will prove that a network of new technologies in energy could provide numerous jobs and other revenue opportunities.

Transcript

Host: So I got a question.. Just came into mind, how is this - it goes back when you talk about the attitudes in Washington as well as other capitals around the world.. In general, it leads to favorable conditions and in fact there's this massive amount of spending that's going up in science and technology as well as the sort of formal aspects of the stimulus package.. What does this really mean for a startup? How does it trickle or filter down or what does this mean for somebody like BioFuelBox or some of your other investments? How are they reacting to this stimulus that's supposedly coming from DC? Steve Perricone: So I was in DC about three weeks ago with my empty bucket knocking on all the doors and nobody filled it.. I think at least from a BioFuelBox perspective, and Jennifer can comment on clean tech in general.. They were certainly pursuing this stimulus money and all of this free money that's becoming available.. In our case in our industry, there's a lot of confusion around biofuels because of the fact that the big guys focused on food as an input and they're 80% of the biodiesel folks are mothballed right now.. And the DOE hasn't been recently educated as to waste-to-fuel plays, particularly at a regional level.. So it's this Catch 22 where money is coming but nobody knows who's going to be on the receiving end yet because the definitions are still being debated.. So it will be interesting to see how the definitions and who's eligible..

Is it going to be giant plants only? Are they going to allow companies that have distributed models? And so we're dealing with a lot of lobbyists getting their opinion, a lot of attorneys and VC getting their opinions.. But in biofuels in particular, there's a little bit of uncertainty around the execution of that.. Jennifer Fonstad: So I think it's both Federal, Capital and then there is state capital, and there is state mandates, and then ultimately someday there will be federal mandates, that are driving the debate and the opportunity set here.. So for a company like BioFuelBox which is a relatively unknown company, they're best served by pursuing both state and federal level opportunities, number one.. And number two; they are best served by partnering with their customers who are feedstock suppliers to come together as a consortium to reach out for stimulus money.. So the stimulus money is looking to be leveraged money.. They don't want to just give it to one dollar equals one dollar equals maybe a quarter of a job.. They want it one dollar to equal four dollars, which could equal four jobs.. And so they are looking for consortiums and opportunities for customers and the full supply chain to come together and present a proposal for why if they get this money they will be able to provide significant leverage into that local economy in order to justify the stimulus dollars.. And so we've encouraged our companies like BioFuelBox to have conversations with potential customers, potential partners along the feedstock side to bring together bulk and provide an obvious path for legislators to feel as if they are using the taxpayer's dollars to the most leverage and most effective outcome...