

Rescue, Rebuild, and Reinvest: How to Save Clean Energy Startups

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Clean energy technology startups have long been given the short end of the stick from both the federal government and the investment community. To make matters worse, the economic impacts of the COVID-19 pandemic have exacerbated an already dire situation for clean energy startups by drying up funding that was already scarce. The federal government must step in to rescue, rebuild, and reinvest in clean energy startups.

Rescue: Helping Clean Energy Entrepreneurs Keep the Lights On

Congress must ensure that an entire generation of early-stage innovative companies—including clean energy startups—doesn't die on the vine as part of its broader emergency measures to stabilize the economy and prevent further job loss. The following industry-agnostic actions would be relatively inexpensive and easy to implement compared with prior COVID-19 small business rescue measures.

- Temporarily waive cost-share requirements.
- Eliminate government payment delays.
- Fix Payment Protection Program's ability to reach startups.
- No-cost extensions and cash grants to keep existing government awardees afloat.
- Expand the SBIR Program to extend a lifeline to promising at-risk companies.

Rebuild: Doubling Down on Successful Startup Programs

The U.S. Department of Energy (DOE) and other federal agencies have a wide range of programs with a proven track record of supporting talented energy technology entrepreneurs who create high-quality jobs. As the economy starts to reopen, Congress must ensure that these programs have the necessary authorizations and appropriations to rebuild an even larger and more dynamic clean technology startup ecosystem across the United States.

- Expand Manufacturing USA program to bolster U.S. manufacturing.
- Expand clean energy entrepreneurship training and resources.
- Incentivize investment in clean energy innovation through the Small Business Investment Company (SBIC) program.
- Optimize the DOE SBIR Program to give a wider array of startups access to its resources.

Reinvest: Strengthening America's Leadership on Clean Energy Innovation

As Congress crafts new stimulus measures to respond to COVID-19, it must ensure that policies not only stimulate the economy in the near term, but also lay a firm foundation for long-term US leadership in clean energy innovation. The following programs should be considered in future stimulus measures.

- Fund a new generation of energy scientists and engineers through RE-ENERGYSE.
- Create a DOE-allied independent Energy Technology Commercialization Foundation.
- Provide entrepreneurs with access to capital in every state.