

**Matt Cheney Interview**  
**By Greg Smestad, Ph.D.**  
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**GREG:** Who are you and what do you do?

**MATT:** I'm Matt Cheney. I'm the CEO of CleanPath Ventures.

**GREG:** What do you do there, do you consider yourself a VC?

**MATT:** We work with VC growth and the VC community, but by and large what we do is we work as a developer with specialized services that serve to bring new technologies into the marketplace, but also to finance existing technologies, what we call bankable technologies, to build new power plants and move them into the market.

**GREG:** We've heard this term before in last week's show, "bankable" tell us what that really means to the public.

**MATT:** Well, it means a lot of things. On the supply side it means that you are producing a technology that does what it says that it is going to do over a long period of time. On the "buy" side, on the customer services side, essentially the same thing; either you buying or serving to invest into a technology or solution to provide you services in that, for what it is worth you get what you pay for, and that is bankable. Now it has another connotation and that has to do with what I said earlier and that is performance. The capital markets, or players, partners, so to speak, entities, banks, infrastructure funds, others, utilities, even customers want to know what the status is of any particular technology and, as history shows, much more emphasis is placed on technologies that have been active in the marketplace or that are actually being used for a long period of time. So one could say that you cannot get to a point of commercial bankability in a day, you won't get to a point where capital markets appreciate what it is you are offering as a venture growth or a technology company for a long time. The question is whether you can reach that status of bankability faster than what it would normally take.

**GREG:** So the public is, in many cases, presented with the next great breakthrough either from a Government lab or a University, what do you say to the public waiting for the next great invention to come forth and solve either the energy problem to solve the idea of green jobs.

**MATT:** That is a good question. We call that the Silver Bullet Phenomenon and is it possible to discover a new technology, create a product and have that product placed in the market in quantity helping you reach scale and production that offers a potential customer your product at a reasonably low price and a good price compared to other alternatives? And, can you get that to all happen quickly? By and large the general overall experiences are "no" it takes a while particularly for certain technologies.

**GREG:** One of the things that I've heard as I've been preparing for this is, what solar could do differently that no other energy technology could do. Michael Woodhouse at the National Renewable Energy Laboratory (NREL) talked to me about the idea that in the future you could have an electric or plug in hybrid and plug it into your house where your house becomes your solar power plant. And, just the same way that we all have cell phones in our pockets now where 20 years ago we did not, we could all have our own power plants on our roof. Is that a viable business idea and how could that work?

**MATT:** I think that is a viable initiative and when you take a deep look at it is a compelling one and I'll tell you why. To have your electric vehicle charged by a solar system, it is a very good fit, but more importantly it is a compelling one to the extent that the financing of the solar systems or a car are two major hurdles to market penetration. But as it happens our financing

infrastructure, you know the world that we live in, is actually fairly accessible by most customers. Most people can go to an auto dealership and either buy or lease a car using financing. Not a lot of people can do that for a solar system, but if you were to combine the two, in a perfect world this is not so much of a stretch, envision a world whereby you would go buy an electric vehicle and as part of the process lease a solar system that would be installed on top of your roof and together they would work to re-charge your vehicle with solar power. It is a very efficient solution, but more importantly, it is a solution in terms of its financing or leasing - a solution that exists in the auto industry today. And further, what drives access to that market is that the auto industry is very good at providing credit to people who don't necessarily have credit or good credit or those that don't necessarily have property or financial stability to support or fully collateralize the lease or purchase of a vehicle. They have really expanded that credit market to include people who are on the edge or the margin. Whereas normally the housing industry works somewhat the other way where a lot of people would not qualify for a roof top solar system where they would qualify for an automobile. So together, if you link it to financing for an automobile this is something that people tend to pay their bills for because they really need that mobility and if you throw in a solar system and I would argue that by throwing in energy efficiency financing too as it relates to their home or their apartment or so forth, this would make sense.

**GREG:** What is holding solar back and clean tech back? How do we make this green economy ignite? Here in the U.S. and worldwide, or is it up to us? Or, is it going to be done for us in another place? How do we do this?

**MATT:** That is a really good question, quite fundamental. I would say that that one of the biggest barriers is the lack of things, and I would argue in a grand scale there is a lack of purpose in this country and potentially a lack of sensibility in and around where it needs to be for the future and how it intends to get there. But it is no secret that we are investing a lot in energy that's imported to this country which is remarkable given the fact that we have a tremendous amount of energy that we own in terms of geothermal energy, in terms of wind, in terms of energy from the sun. That said, we definitely need a plan, but for the most part and for the immediate future what we need is for everyone to work together and it sounds a bit, again, hard to imagine that we don't, but in fact there are various different barriers that could be taken on such as our credit barriers and so forth that relate to the fundamental question of access. How do people in this economy access our clean energy benefits from our clean energy economy and if they were able to, would that cause the clean energy economy to thrive? And I would say that today they more than likely do not have good access. It is no secret that people with poor credit or who are not built well financially or not yet built well financially can't access long-term contracts. So when we talk about instruments that can be tapped that can make it possible for people to participate in these programs to get power, say for example, from solar systems particularly from new technologies, new types of solar technologies that are meaningful to us in our economy, there are things that can be done. There are programs rather than to spend money on buying down the cost of a solar system, you can get a bigger bang for the buck I think out of putting together products that serve to stabilize the investment community particularly around products or insurance products that serve to insure investors that in fact they are going to be able to get at least a minimum amount of money out of everything they have put their money to work in. Other things involve sovereign credit instruments, most other nations that we compete with for world market shares when it comes to putting our important new energy technologies, clean energy technologies to work offer sovereign credit to their domestic industry. We do not do a lot of that and I think that we should do more of it and scale that part up. What that does do is create jobs here at home for our industries, for our technologies, it creates a domestic market for those same technologies and it puts companies like CleanPath Ventures to work to help promote and commercialize those technologies in the marketplace to

create jobs. That is pretty much the bottom line is as it relates to vision. We can talk further about how best to go about getting where we really want to be 20 years from now, but for now there is really a lot of work to do in these areas.

**Greg:** Matt Cheney, CleanPath Venture. Thank you very much.