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### Subject: Docket 11-ALT-1, 2012-2013 Investment Plan, i-GATE Small Business Training

## **i-GATE BACKGROUND**

Innovation for Green Advanced Transportation Excellence (i-GATE) launches and grows young companies developing advanced transportation, such as electric vehicles, and related energy technologies, such as fuel cells and renewable fuels. i-GATE is a nonprofit public-private partnership, designated in 2010 as one of the first six "innovation hubs (iHubs)" by the State of California, with a mission to support small businesses, cultivate the regional technology cluster, and develop the green workforce.

i-GATE partners with industry, two Department of Energy national laboratories, government, and academia to provide young companies with technology business incubation, recruiting of key staff, collaboration opportunities, innovation networks, technical assistance, access to investors, and entrepreneurial education (see Appendix A for a list of partners). Applicants to the program are screened for business potential and technologies are vetted through a technical advisory board prior to admission.

i-GATE leverages public and private investment with the strategic intent to create new jobs, commercialize new technologies, and mitigate greenhouse gas emissions while meeting future transportation needs. For FY11, the Small Business Development Centers (SBDC) supported the i-GATE program with \$200,000, and the regional office maintains a weekly presence at the i-GATE incubator facility. i-GATE partner cities contribute funds and in-kind support, as do the two national laboratory partners, which also supply technical assistance and access to unique assets such as the Combustion Research Facility, which partners with automotive and truck manufacturers to increase engine efficiency. Other federal partners, such as Manex, the local affiliate of the NIST Manufacturing Extension Partnership, provide sponsorship and free services for i-GATE clients. Industry partners such as Chevron provide sponsorships and in-kind support.

### GREEN TRANSPORTATION SMALL BUSINESS DEVELOPMENT AND TRAINING

i-GATE engages with a variety of small businesses through its mentoring, business planning, and support programs at the National Energy Systems Technology (NEST) incubator in Livermore, adjacent to the two national laboratories. The i-GATE program area covers four counties and includes ten cities as partners, with the City of Livermore serving as the iHub Coordinator for the state Governor's Office of Economic Development (now known as GoBiz).

For FY12, i-GATE has plans to enable small business development and training programs with its partners at the NEST incubator. The proposed programs include:



#### Green EGG (Energy Guidance Grant) Green Transportation Small Business Training and Support (\$120,000)

The *Green EGG* program, managed by i-GATE, would support the training and professional development of small business management teams who are engaged in developing clean transportation technology companies. Staff would be trained and mentored in business planning, market analysis, financial management, gaining access to capital, and other topics over a period of a year to increase their chances of starting and managing successful businesses. Staff would also receive guidance on working with i-GATE's national laboratory partners and applying for federal grants such as those from the Small Business Innovation Research program. Green EGG also addresses a need for training technologists to create and manage businesses.

i-GATE currently partners with SBDC to provide a consultant and basic topical seminars on how to run businesses, but the Green EGG program is different because it's customized to focus intensively on the issues of each company in the program for a full year. \$120,000 would support membership in the program for ten small businesses per year (up to 100 people). After the first year of Green EGG support, companies needing further development could remain in the NEST incubator program for up to two additional years, but would be expected to pay the program fees themselves.

### Leveraged Funding

Green EGG funding from CEC ARFVTP would be leveraged with cost-match in-kind support of approximately \$500,000 from the City of Livermore; SBDC program support worth approximately \$30,000 with a potential for continued SBDC funding of approximately \$150,000 for FY12; \$100,000 of proposed FY12 funds from i-GATE partner cities, and technical assistance from researchers at both Sandia and Lawrence Livermore National Laboratories. Wavepoint Ventures supplements i-GATE staff with in-kind support worth approximately \$50,000 for on-going mentoring, business planning, market analysis and planning, and related services. Manex, which is federally funded, provides \$12,000 of annual direct funding along with in-kind consulting services related to manufacturing.

#### Green EGG Transportation Incubator Tenancy Program (\$130,000)

A second component of the *Green EGG* program would support up to ten new small businesses for one year as i-GATE NEST incubator tenants, working together in collaborative space intended to rapidly grow young companies. Office and high-bay laboratory space would be provided to qualifying businesses with good growth potential who demonstrate financial need. Funding from CEC to support these tenants would be leveraged as noted above.

i-GATE Small Business Training



### i-GATE Green Transportation Small Business Internships (\$80,000)

i-GATE works with its academic partners to provide business and entrepreneurship students with on-the-job experiences with the transportation businesses supported through the NEST incubator. In FY11, two university students were supported by i-GATE for the summer with paid internships.

#### For additional information:

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# Appendix A: i-GATE Partners

City of Livermore ( iHub Coordinator )					
Sandia National Laboratories ( i-GATE program lead )	University of California, Berkeley, CITRIS	Livermore Chamber of Commerce	Workforce Incubator	MANEX (NIST Manufacturing Extension Partnership)	
Lawrence Livermore National Laboratory	University of California, Davis	City of Pleasanton	Alameda Co. Board of Supervisors	Siemens	
Joint BioEnergy Institute (DOE)	California State University, East Bay	City of Dublin	Alameda County One Stop (job training)	Bridgelux, Inc.	
Scion Group	Las Positas Community College	City of Tracy	Cleantech Open	Hoge, Fenton, Jones & Appel	
California Fuel Cell Partnership	University of Michigan	City of San Ramon	New Enterprise Associates	GE	
USDA Agricultural Research Service	CSU Board of Trustees	City of West Sacramento	Sand Hill Angels	Amerimade Technologies	
CA Small Business Development Centers	Golden Gate University	Town of Danville	Kickstart Fund	East Bay Economic Development Alliance	
General Motors	University of Oklahoma	City of Fremont	Global Cleantech Partners	Chevron	
PG&E	City of Davis	City of Lathrop	Wavepoint Ventures, LLC	CA Governor's Office of Economic Development	