



THE BUSINESS OF TECHNOLOGY

## Southwest Windpower Catches \$6.5M

NGP Energy Technology Partners blows second-round funding into small wind turbines.

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By Adena DeMonte

Southwest Windpower, the world's largest producer of small residential scale wind generators, said it raised \$6.5 million to market and distribute its technology.

Flagstaff, Arizona-based Southwest Windpower, founded in 1987, is finally ready to promote its technology. The investment round was led by Washington, D.C.-based NGP Energy Technology Partners and included current investors Rockport Capital Partners, Altaria, and CTTV Investments, the venture capital arm of Chevron.

"For our first 15 years, there wasn't a big market. In the few last years, we've seen consistent 30 percent growth, and this year we expect to double our sales and revenue," said Andy Kruse, Southwest Windpower's executive vice president of business development.

In November of 2006, the company launched its residential wind generator. The company claims it can cut the cost of renewable energy by up to 60 percent, making it competitive with retail electricity.

"Renewable energy is fast becoming a critical component of the world's energy mix and we believe small residential wind will be a part of that mix," said Frank Greco, CEO of Southwest Windpower, in a statement.

Small wind turbines face a variety of challenges. Southwest Windpower's turbines require a half-acre of land to install. Problems with permits and neighbors are other concerns. Rob Day, partner with @Ventures, who was not involved in the deal, said that the space seems to be "poised for some uptake." But he said the market is still at a very early stage.

"Based on our work in the area, we clearly see them as best of breed in the small wind turbine market," said Philip J. Deutch, partner with NGP Energy Technology partners. "There's no reason why you can't make the analogy between small wind and solar."

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