

Cleantech and sustainability have clearly come of age in the 21st century — and are here to stay. As more and more business leaders recognize the impact of climate change and the mispricing of natural resources, investment in Cleantech and its many diverse sectors is reaching record levels from VCs, private equity funds, large corporates and governmental entities. The far-reaching changes underway will have a transformative effect on all types of businesses for decades to come. With that in mind, we asked two leaders in the Cleantech space to discuss the industry and its rapid expansion.

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Dian Grueneich, former California Public Utilities Commissioner and a recent addition to the MoFo team, provides her views on the latest trends in energy regulation.

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**Renewable energy projects are gaining steam not only in California and the United States but in Japan, China, throughout Europe, and elsewhere in the world. What is driving this?**

Governments, at both the national and subnational levels, are enacting laws and policies to incentivize renewable power. Concerns about climate change, energy independence and security, fuel diversity, and job creation are all driving governmental action. In turn, private industry is responding rapidly — from startups with new technologies to international renewable developers, investors, utilities, and independent power producers pursuing projects around the world. Both the markets and government regulations are changing rapidly and the companies that will succeed are those that understand both.

**What are the benefits of smart grid technologies and why are they becoming so popular?**

The world's existing electricity grid (powerplants, transmission and distribution lines, meters and much more) is a physical one, using decades-old technology. The smart grid, which extends from powerplants to end-use consumers, will integrate communications and information technology with the physical infrastructure for enhanced grid operations, customer services, and environmental benefits. The smart grid will empower customers to make choices about their energy use, both to save money and support clean energy. It will create a platform for a wide range of technologies and management services. But there will be winners and losers in the smart grid. Companies must not only master technical issues but they will need to understand the complex energy regulatory system driving the smart grid and demonstrate clear value to consumers, businesses, and utilities.

**What are your clients' top issues regarding energy regulation?**

The top priority for my clients is understanding how the complex and rapidly changing world of energy regulation affects their businesses, both positively and negatively. A second concern for U.S. clients is the need for long-term financial and policy support from the U.S. government for clean energy. A third area of interest is helping government better understand how the private sector works and what drives investments. Because private capital is key in the shift to a clean energy economy, it is important that policymakers understand how to best leverage private resources and create an investment-friendly environment.