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Air District's Climate Tech Finance program funds next-gen battery maker in California to propel the clean energy transition

SAN FRANCISCO - The Bay Area Air Quality Management District has awarded a loan guarantee to SPARKZ, a next-generation battery manufacturer re-engineering the battery supply chain in the United States.

The company's energy storage solution reduces the cost of domestic lithium battery production by eliminating the cobalt and nickel traditionally used in their manufacturing. The pioneering process developed by SPARKZ would lower the cost of lithium-ion batteries, remove environmental concerns around mining cobalt, and reduce constrictions created by a foreign supply chain.

"Public-private partnerships are key to accelerate the development of much-needed climate technologies, support the clean energy transition and meet our climate goals," said Dr. Philip Fine, executive officer of the Air District. "We are proud to partner with a true innovator that is paving the way to our clean energy and manufacturing future."

"California is home to the fastest growing climate tech manufacturing industry in the country and for SPARKZ, California is our home. As we look to expand our manufacturing footprint to re-engineer the battery supply chain domestically, California will be our main focus because of Governor Newsom's efforts to promote electrification," said founder and CEO Sanjiv Malhotra. "The support of the Air District, California Infrastructure and Economic Development Bank and the Northern California Financial Development Corporation will allow our company the ability to hire Californians, expand our manufacturing facilities and play a role in solving the climate crisis."

This loan guarantee is the most recent project under the Air District's Climate Tech Finance program. In partnership with the California Infrastructure and Economic Development Bank and the Northern California Financial Development Corporation, the Climate Tech Finance team led a technology qualification, social equity impact and greenhouse gas analysis that deemed SPARKZ eligible for a multimillion-dollar loan guarantee. This loan guarantee supported SPARKZ in securing a line of credit with East West Bank.

"Increasing accessibility and reducing the cost of clean energy is critical for addressing the climate crisis," said IBank Executive Director Scott Wu, "IBank's Climate Tech loan guarantees

support the climate entrepreneurs who are developing innovative technologies to make it happen. We are proud to play this role, bridging public-private partnerships and creating a meaningful, positive impact that affects us all.”

The core value of the [Climate Tech Finance](#) program is to support innovative climate projects and the Air District’s greenhouse gas analysis ensures that new technologies will reduce short- and long-term greenhouse gas emissions. The Climate Tech Finance loan guarantee provides a credit enhancement that supports [SPARKZ](#)’s manufacturing to meet growing demand from customers. SPARKZ batteries are estimated to reduce 1,200 metric tons of carbon dioxide equivalent emissions per year in California by replacing diesel school and transit buses with electric buses and using stationary batteries to reduce the load on the power grid.

SPARKZ will create jobs across the lithium battery value chain in California by generating employment opportunities in the deployment, installation, service and maintenance sectors associated with its batteries. The company has committed to 800 new, full-time jobs and over \$700 million in investments throughout California.

The [Bay Area Air Quality Management District](#) is the regional agency responsible for protecting air quality in the nine-county Bay Area. Connect with the Air District via [Twitter](#), [Facebook](#) and [YouTube](#).

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