



NEWS RELEASE

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Energy Systems Network launches Battery Innovation Center in Southern Indiana

Energy storage technology initiative includes a multi-million dollar research/prototyping facility adjacent to Naval Surface Warfare Center Crane

(INDIANAPOLIS, Ind., May 24, 2012) The global market for advanced batteries is nearly \$50 billion, with economists predicting double-digit annual growth over the next decade, driven by increasing adoption of electric vehicles, the implementation of smart electric grid technologies, and other applications for flexible energy storage. To take advantage of the demand for rapid commercialization in this high-tech sector, the Indiana-based Energy Systems Network (ESN) and several partners have established the Battery Innovation Center (BIC), a new non-profit initiative that will link battery manufacturers, government agencies and research labs, academia, and Fortune 500 companies together to accelerate the battery market.

The BIC will leverage Indiana's public and private sector assets in advanced battery technologies, creating a center of excellence that will provide testing and validation services to industry, product development and technology support for Department of Defense (DoD) and other government agencies, and assist universities with research and development for prototyping. New battery innovations will be brought to market as participating companies and institutions collaborate to advance battery technologies from discovery to production.

The BIC will involve a 40,000 square foot multi-million dollar facility at the WestGate@Crane Technology Park, in Greene County. The site is adjacent to Naval Surface Warfare Center Crane (NSWC Crane), the Department of Defense center of excellence in battery development and power electronics. The Greene County Council yesterday approved \$15.6 million in economic development bonds to support the construction of the facility.

While this facility will serve as the physical "hub" for the BIC's activities, it will also leverage virtual connections to its many partners' research facilities and resources across the State and beyond. While waiting for the WestGate facility to come on-line, BIC leadership will continue to raise funds, recruit partners, and use this virtual network to conduct some early project selection. BIC's access to its partners'

research assets – including NSWC Crane – will greatly advance the work that will ultimately be undertaken by the new BIC facility.

“With NSWC Crane as the Department of Defense’s largest collection of resources dedicated to Electrochemical Power Sources, developing next generation energy storage solutions is critically important to our mission as energy and power requirements on the battlefield continue to grow at near exponential rates,” said Kyle Werner, Deputy Department Director for Applied Science & Demand Management at NSWC Crane.

“NSWC Crane’s technical mission in Energy & Power Sources is continuing to grow and requires innovative capabilities. In order to efficiently execute our technical mission, it is imperative that we collaborate and partner with other government, academia and industry partners. To this end, we are very interested in collaborating with the Battery Innovation Center to maximize the potential of providing battery innovation to our Warfighters in accordance with our assigned technical mission.”

The leadership structure for the BIC is already being assembled. Charles LaSota has been selected as the President of both nonprofit entities. With 35 years’ experience in the US Navy, LaSota most recently served as the 25th Commanding Officer of NSWC Crane. He has a Bachelor’s degree in Electrical Engineering from the University of Kansas, Masters’ degrees in Electrical Engineering/Computer Science and Nuclear Engineering from the Massachusetts Institute of Technology (MIT), as well as a MBA from Indiana Wesleyan University.

“ESN is glad to have incubated the Battery Innovation Center into an initiative that can leverage Indiana’s assets in battery innovation and position the state as the epicenter of advanced battery testing and development going forward,” said Paul Mitchell, President & CEO of Energy Systems Network and Chairman of the Battery Innovation Center board. “With his military service background and leadership experience, I can’t think of anyone better suited to lead this initiative than Charles.”

LaSota is optimistic about the BIC’s potential to advance the industry while bringing new business opportunities to Indiana. “From my tenure at Crane, I know first-hand the demand for these types of services – as a military installation, we often lacked the resources needed to manage the volume of requests from industry for “technology transfer assistance” while executing our primary mission, providing our military with cutting edge military technology. The BIC can serve public and private customers with a truly world-class array of research, development and production assets.”

For the past 18 months, ESN has coordinated efforts with NSWC Crane, RADIUS Indiana and the Indiana Economic Development Corporation (IEDC) to develop a detailed business plan and assess potential demand and support for the Center. Dozens of organizations also provided input into the development process, many of which are prospective member institutions of the BIC, such as Cummins, Delphi, the University of Notre Dame, Indiana University Purdue University Indianapolis (IUPUI) and Purdue University.

“Having such a massive, world-class center of innovation like Crane has always been an economic draw for our region,” added Ken Sendelweck, Board Chairman of RADIUS Indiana, a multi-county economic development organization in southern Indiana. “The BIC will allow us to reach beyond our geography and truly maximize the assets we have at hand. We’re optimistic that this partnership has the potential to make our region a ‘Silicon Valley’ for advanced batteries, and be a magnet for new business opportunities.”

Keystone Group has been selected as the developer for the project. “The high-tech nature of this facility makes it an intriguing project to be a part of, and we are excited to have been selected,” said Keystone Vice President of Business Development Paul Okeson. Construction is expected to begin this spring and the facility is expected to be completed by 2013.

For more information about the Battery Innovation Center, visit www.bicindiana.com.

About Energy Systems Network: *Energy Systems Network (ESN) is a not-for-profit, industry-driven economic initiative focused on the development of Indiana's "clean tech" sector. ESN provides project development and coordination for joint ventures and cooperative partnerships between network members who are seeking to bring new energy technologies, products or applications to market. For more information, visit www.energysystemsnetwork.com.*

About Naval Surface Warfare Center Crane: *NSWC Crane is a Naval laboratory and a field activity of Naval Sea Systems Command (NAVSEA) with focus areas in Special Mission, Strategic Missions and Electronic Warfare/Information Operations. The Warfare Center's research and development efforts support the Warfighter by providing capabilities and resources to advance technologies for the military.*