

Chris Sloan Addresses Crowdfunding for Renewable Energy Projects in Platts Energy Economist

Interest grew in crowdfunding small energy projects after President Obama signed into law the JOBS Act in April. Chris Sloan tells Platts Energy Economist that the JOBS Act allows companies essentially to advertise for investors using, for example, social media, and make it easier for them to accept investments from unaccredited investors.

"In my opinion, crowd funding will be particularly useful for two types of companies. First, it will be great for companies that may need outside capital to launch but once launched may not need much more outside investment. Second, I think it will help companies that are only going to scale modestly. Both of those types of businesses struggle to find funding, because they typically are not going to grow big enough fast enough for a venture capital investor, but lack sufficient assets for traditional lending," Mr. Sloan said.