

## **EnLink Raises \$30M For Geothermal Heat Pumps**

By **Jonathan Shieber**

private equity

5/19/2008 – Geothermal heat pump technology developer Enlink Geoenergy Services Inc. has raised nearly \$30 million in private equity funding, Clean Technology Investor has learned.

Craton Equity Partners led the investment, with additional participation from previous investor Medley Partners LP and company insiders.

The money will be used to restructure the business around services rather than products. The company's products use technology based on 13 patents it has been granted, Chief Executive Ray List said in an interview.

Information on Enlink's Web site describes the company as developing geothermal heat pump installations at commercial and institutional buildings. The Houston-based company was founded in 1995 and has developed at least 75 projects in 14 states across the U.S. About 69% of the company's business is currently with schools, according to the Web site. Other big customers include the federal government and the military.

According to List, the company's technology can help customers meet the requirements of new legislation, like a California mandate requiring buildings to lower their carbon footprint. Energy efficiency measures like reducing heating, ventilation, air conditioning, and cooling, or HVAC, costs are one way to achieve that goal, List said.

"This is a low-cost producer of baseload HVAC energy," List said.

The HVAC market in the U.S. accounts for half of the energy consumed in the U.S., according to List.

As energy prices rise, HVAC systems will become more expensive, according to EnLink. The company says on its Web site that geothermal heat pumps, which use the constant temperature below the surface of the ground as a way to regulate the temperatures of buildings, are an economical way to stabilize those energy bills. The company asserts that its system can pay for itself within four years.

"You're not burning anything, you're not emitting anything, it's an ideal technology for all places," List said.

<http://www.enlinkgeoenergy.com>

<http://www.cratonep.com>