

Summary:

For the April 22nd issue of NAATBatt's Advanced Battery Weekly, we highlight the ongoing sector activities.

The NAATBatt and Asia Indices increased 2.1% and 3.3%, respectively. The U.S. Index decreased 3.3%. The Russell 2000 and S&P 500 each declined 1.5%.

Executive Director James Greenberger writes about the just-concluded DOE/NAATBatt Workshop on Issues in Deployment of Distributed Energy Storage Systems. Read "**Workshop on Distributed Energy Storage Makes Good Progress**" in the Executive Director's Notes portion of this newsletter below.

Key Highlights:

- **Johnson Controls-Saft** announced a supply agreement for two electric vehicles (EVs) that will be launched by the **Beijing Electric Vehicle Company (BJEV)**, a subsidiary of **Beijing Automotive Industry Company (BAIC)**. BJEV and BAIC have plans to manufacture 150,000 hybrid electric vehicles (HEVs) and battery electric vehicles (BEVs) by 2015.
- **Ford Motor** revealed its EV plan for **China** with the debut of the **Focus all-electric**, the **C-MAX Energi plug-in hybrid** and the **Fusion hybrid**. The company's electrification strategy is to provide expanded choice to customers with its broad platform of vehicles.
- **Dutch** energy utility **Essent** (a subsidiary of **RWE AG**) was awarded a contract by the **Amsterdam City Council (ACC)** to deliver and install at least 125 charging stations. The ACC is planning for 10,000 EVs by 2015.
- **The Hertz Corporation** has signed an agreement with **Mitsubishi Motors** in the **U.K.** to add the **i-MiEV** to its fleet and also car sharing club **Connect** by Hertz. Customers will be able to charge their vehicles at Hertz charging stations located throughout **London** as well as at **Heathrow** and **London City Airport**.
- **Samsung SDI** is forecasting the global lithium-ion (li-ion) battery market to triple by 2015. The company is also forecasting EVs to account for 7% of the global automobile market by 2015 and 17% by 2020.
- **Chile** inaugurated the first quick-charging station for EVs in **Latin America**. **Chilectra SA**, a unit of energy holding company **Enersis SA** will supply the station with electricity.
- **Dongfeng Motor Group** (**China's 2nd** largest automaker) is planning to launch EVs next year. The company is targeting to sell 100,000 by 2015.
- **Honda Motor** announced it will produce and will launch EV sales in China in 2012 or 2013. The EVs will be built at the company's **Wuhan** and **Guangzhou** plants.
- The **Los Angeles Department of Water and Power** is offering up to \$2,000 in rebates for customers who want to install residential charging stations. The "**Charge Up L.A.**" rebate program applies for the installation of rapid chargers.
- **Coulomb Technologies** announced the addition of **Boulevard Brewing Company (Kansas City-based)** to the **ChargePoint® Network**. The sale of the charging station was made by **LilPad EV** through Coulomb's Midwest/Chicago distributor **Carbon Day Automotive**.

- **ECotality** announced an agreement with **ABB** to utilize its sales distribution channels to offer **Blink™** charging stations. The company's charging stations provide smart-grid ready features that enable consumers and utility companies the ability to perform better energy management, smart meter management and interaction, and demand response capabilities.
- The Board for the **Chicago Transit Authority (CTA)** approved the purchase of two 35 to 40-foot, li-ion battery-powered buses with the help of a \$2.2 million **Federal Transit Administration** grant. The two buses will be tested for about a year.

A Few More Details:

Johnson Controls-Saft announced a supply agreement for two electric vehicles (EVs) that will be launched by the Beijing Electric Vehicle Company (BJEV), a subsidiary of Beijing Automotive Industry Company (BAIC). The Johnson Controls-Saft electric battery system will power the C30 and M30 electric vehicles, which are initially launching in an evaluation fleet of 2,000 units beginning later this year. BJEV and BAIC have plans to manufacture 150,000 hybrid electric vehicles (HEVs) and battery electric vehicles (BEVs) by 2015.

Source: Johnson Controls-Saft

Ford Motor revealed its EV plan for China with the debut of the Focus all-electric, the C-MAX Energi plug-in hybrid and the Fusion hybrid. The company's electrification strategy is to provide expanded choice to customers with its broad platform of vehicles. The company will be bringing a test fleet of electrified vehicles to China later this year, including the Fusion hybrid.

Source: Ford Motor

Dutch energy utility Essent (a subsidiary of RWE AG) was awarded a contract by the Amsterdam City Council (ACC) to deliver and install at least 125 charging stations. The amount could increase to 750 stations. The first charging points are due to be installed in 1H11. The ACC is planning for 10,000 EVs by 2015.

Source: RWE

The Hertz Corporation has signed an agreement with Mitsubishi Motors in the UK to add the i-MiEV to the fleets of Hertz and car sharing club Connect by Hertz in the UK. Two Mitsubishi i-MiEVs are available for Connect by Hertz members with plans to add more i-MiEVs to its fleets throughout the year in the UK. Customers will be able to charge their vehicles at Hertz charging stations located throughout London as well as at Heathrow and London City Airport.

Source: The Hertz Corporation

Samsung SDI is forecasting the global li-ion battery market to triple by 2015. The company is projecting the market to grow to \$32 billion in 2015 (from \$11 billion in 2010). Samsung SDI is also forecasting EVs to account for 7% of the global automobile market by 2015 and 17% by 2020.

Source: Reuters

Chile inaugurated the first quick-charging station for EVs in Latin America. Chilectra SA, a unit of energy holding company Enersis SA will supply the station with electricity. Chile has 2.5 million cars, more than 100,000 taxis and more than 35,000 buses. Japan is the world's leader in charging stations, with over 600 of them across the country.

Source: Dow Jones

Dongfeng Motor Group (China's 2nd largest automaker) is planning to launch EVs next year. The company is targeting to sell 100,000 by 2015. Dongfeng and Nissan Motor operate the Dongfeng Motor

venture in China by selling passenger cars under the Nissan brand and commercial vehicles under the Dongfeng nameplate. The company also has manufacturing ventures with Honda Motor and PSA Peugeot-Citroen Group.

Source: International Business Times

Honda Motor announced it will produce and will launch EV sales in China in 2012 or 2013. The EVs will be built at the company's Wuhan and Guangzhou plants. The company is also set to launch the EVs in Japan and the U.S. in 2012.

Source: Reuters and Nikkei

The Los Angeles Department of Water and Power is offering up to \$2,000 in rebates for customers who want to install residential charging stations. The "Charge Up L.A." rebate program applies for the installation of rapid chargers. The utility's goal is to give rebates for up to 5,000 home chargers.

Source: San Jose Mercury News

Coulomb Technologies announced the addition of Boulevard Brewing Company (Kansas City – based) to the ChargePoint® Network. The charging station was installed at Boulevard's headquarters and is available to employees and visitors. The sale of the charging station was completed by LilPad EV through Coulomb's Midwest/Chicago distributor Carbon Day Automotive.

Source: Coulomb Technologies

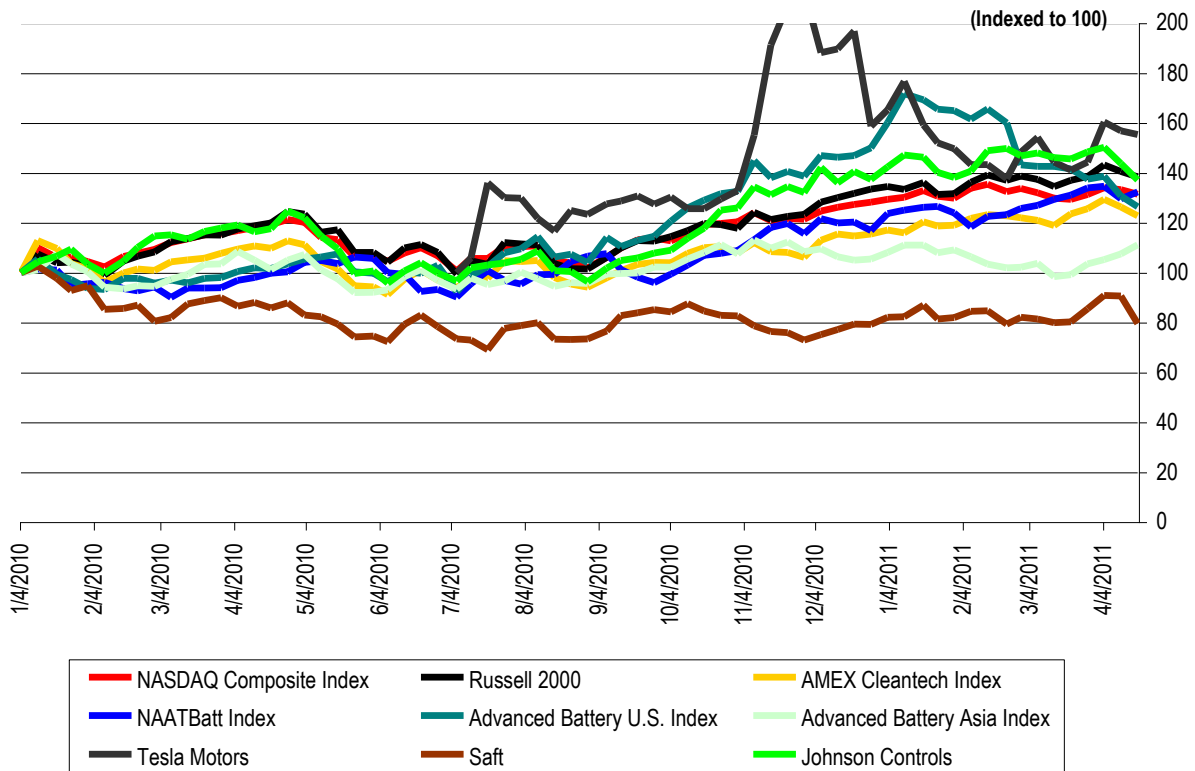
ECOtality announced an agreement with ABB to utilize its sales distribution channels to offer Blink™ charging stations. The company's charging stations provide smart-grid ready features that enable consumers and utility companies the ability to perform better energy management, smart meter management and interaction, and demand response capabilities. The Blink DC Fast Charger, introduced in October 2010, is capable of providing a full charge in less than 30 minutes.

Source: ECOtality

The Board of the Chicago Transit Authority (CTA) approved the purchase of two 35 to 40-foot, li-ion battery-powered buses with the help of a \$2.2 million Federal Transit Administration grant. The grant includes funding for charging stations to be set up at the end of routes or at bus garages. The two buses will be tested for about a year.

Source: Chicago-Sun Times

**Exhibit 1: Indices Performance
(From January 4, 2010)**

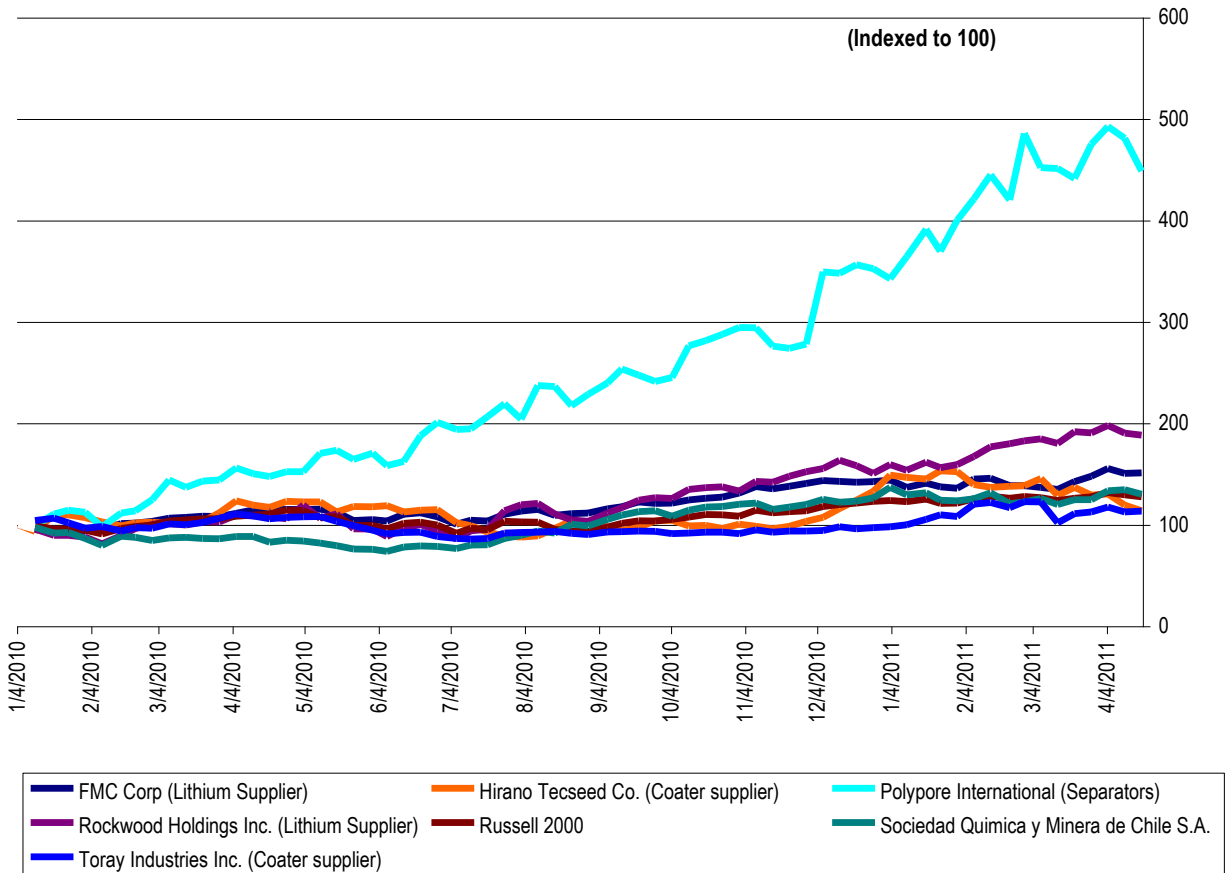


Index	Close on 4/18/2011	52-Wk High	% of 52-Wk High	Performance		
				LTM	YTD	Week
Dow	12,201.6	12,454.5	98.0%	10.7%	4.5%	(1.4%)
S&P 500	1,305.1	1,344.1	97.1%	9.5%	2.6%	(1.5%)
NASDAQ	2,735.4	2,840.5	96.3%	10.4%	1.6%	(1.3%)
Russell 2000	821.5	859.1	95.6%	15.0%	2.9%	(1.5%)
AMEX Cleantech Index	1,204.1	1,271.0	94.7%	11.4%	4.8%	(2.8%)

Source: Bloomberg and ThomsonOne

Note: The select NAATBatt Index is a market-value-weighted average and includes ALTI, BASF, COP, ENS and XIDE. The Advanced Battery U.S. Index is a market-value-weighted average and includes HEV, MGA, MXWL, UQM and VLNC. The Advanced Battery China Index is a market-value-weighted average and includes BYD, CBAK, GS Yuasa, LG Chem and Panasonic.

**Exhibit 2: Supplier Performance
(From January 4, 2010)**



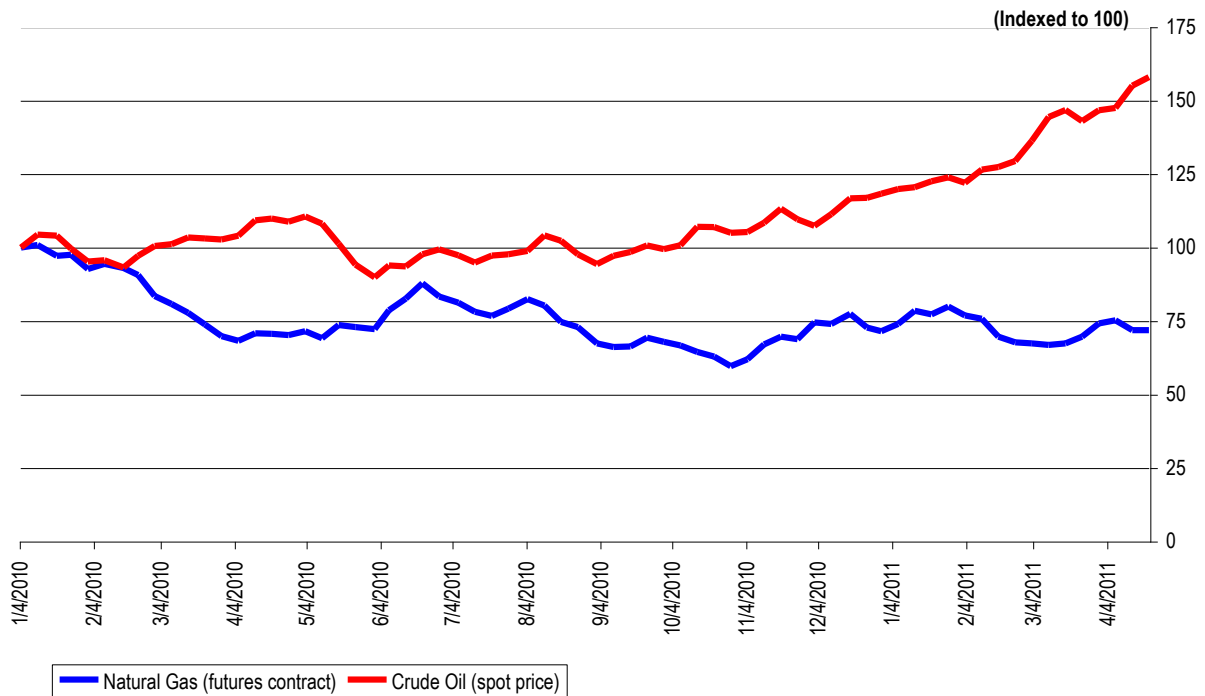
Source: Bloomberg

Exhibit 3: Commodity Prices

Commodity	Price on 4/18/2011	Price on 4/11/2011	Price on 3/18/2011	1 Week Change	1 Month Change
LME Copper (Cash, \$ per tonne)	9,356	9,781	9,524	(4.4%)	(1.8%)
LME Lead (cash, \$ per tonne)	2,720	2,939	2,720	(7.5%)	(0.0%)
LME Nickel (cash, \$ per tonne)	26,105	27,415	26,150	(4.8%)	(0.2%)

Source: LME

Exhibit 4: Natural Gas and Crude Oil
(From January 4, 2010)



Source: EIA

Executive Director's Notes



WORKSHOP ON DISTRIBUTED ENERGY STORAGE MAKES GOOD PROGRESS

Yesterday, NAATBatt and the U.S. Department of Energy hosted a workshop of 53 electric utility and battery industry stakeholders in Chicago to plan the future of distributed energy storage (DES) technology. The goal of the workshop was to identify issues and generate ideas that might help accelerate deployment of DES systems around the country.

DES technology has tremendous potential to enhance the reliability of the grid, to level peak electricity load, to facilitate the integration onto the grid of renewable energy (particularly renewable energy that is generated on a distributed basis), to bring down the price of plug-in electric vehicle batteries, and to make the manufacture of advanced batteries a vibrant, job-producing industry in the United States.

The fact that a large market for DES systems does not yet exist is testament to the fact that many issues need to be resolved before widespread deployment of DES systems can begin. For the past few years, battery companies and electric utilities have talked extensively about those issues. Yesterday, perhaps for the first time, battery companies and electric utilities talked about those issues with each other.

It is important that the principal stakeholders continue their discussion. The question of how to get DES systems in the ground more rapidly does not lend itself to a simple answer. Different stakeholders have different issues, all of which must be addressed if a DES market is to develop. The problem is a jigsaw puzzle, not a simple equation.

NAATBatt, for its part, will facilitate an ongoing working group of electric utilities, battery companies, automobile manufacturers and other stakeholders, which will continue the discussion started in Chicago and submit recommendations to the U.S. Department of Energy, the FERC and NARUC as to how DES should evolve and how it should be deployed. NAATBatt will also soon announce some other initiatives based on suggestions made by participants at the workshop. These new initiatives could also help move DES more rapidly towards general commercial deployment. If we are successful, a market for DES systems, which has long been assumed to be only a long-term possibility, may become a reality much sooner than many think.



As the car commercial says, "This is what we do".

A handwritten signature in black ink, which appears to read "James J. Greenberger".

James J. Greenberger
Executive Director

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