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Spring Lane Capital Announces \$35M Project Equity Commitment to Soluna – The Leading Developer of Truly Green Crypto Projects

Soluna is Cracking the Code by Using Otherwise Wasted Renewable Energy to Power Crypto & Catalyze Wind & Solar Farm Development

Boston, MA and Montreal, Quebec — May 12, 2022—Spring Lane Capital, a private equity firm focused on providing hybrid project capital for sustainability solutions in the energy, food, water, waste and transportation industries, announced today a \$35M project equity commitment to [Soluna](#) Computing Inc., a developer of green data centers for cryptocurrency mining and other intensive computing. Spring Lane’s commitment will help develop at least three behind-the-meter (BTM) projects designed to convert wasted renewable energy into clean computing services such as bitcoin mining and artificial intelligence. Soluna’s total funding for data centers co-located with renewable energy assets has now reached \$100 million.

“Soluna is the first company we’ve seen that is actually using bitcoin operations to directly address the global climate challenge, and we are thrilled to partner with John and his team to create ‘additionality’ through consumption of wasted renewable energy or ‘spilled power,’” said Rob Day, Partner and Co-Founder of Spring Lane Capital. “Soluna’s unique offering fixes both crypto’s climate related issues and renewable power’s grid problem. In an industry beset with greenwashing, Soluna offers a compelling solution for investment banks and technology giants who are increasingly betting on cryptocurrencies but are also concerned about its climate effects. No other developer provides a combination of low-cost mining, an inherent ESG benefit and an ability to transition towards other forms of green computing over time.”

“We are thrilled to have a pioneering sustainability project finance firm like Spring Lane Capital support our mission to make renewable energy the world’s primary energy source,” said John Belizaire, CEO of Soluna Computing, Inc.

Through its solutions, Soluna is facilitating more penetration of renewables onto the grid and true “greening” of cryptocurrencies and data center operations. The developer consumes green power that otherwise would have been “spilled” and never generated because of the limitations of the electricity grid. By providing a reliable, local demand for the power generated by wind and solar farms, the Soluna variable data center solution can significantly boost the bottom line of wind and solar farm developers. This prevents the wind and solar farm from being shut down prematurely, while further encouraging those same developers to bring future additional renewables projects onto the grid.

Cryptocurrencies are a rapidly increasing climate and environmental problem, because of the fast-growing energy consumption required. While many in the cryptocurrency mining industry acknowledge this challenge, to date most of what has been touted as “green bitcoin” do not withstand scrutiny. Beyond cryptocurrency mining in particular, data centers are also a fast-growing consumer of electricity.

Traditional data centers are connected to the grid 24/7/365 with a focus on resiliency and thus often rely on a carbon intensive grid. By focusing on frequently curtailed renewable generation, and with their proprietary variable data center design, Soluna is able to consume low-cost renewable energy for more than a majority of its energy while also providing struggling renewable generators with an additional revenue stream, creating true “additionality.”

“Until now the few touted green crypto solutions have, in my opinion, been about getting to ‘net zero’ at best. Soluna has pioneered a way to power crypto using stranded energy assets from wind and solar farms. We knew they were different from our very first meeting, because the Soluna team was focused on solving a major problem for renewable power developers first, and this led them to this variable data center solution. Because it’s stranded assets, it’s cost effective. And from a green perspective, it solves a huge problem for the wind and solar energy sector while providing a wholly additive green energy solution for crypto, rather than so many other efforts that are either simply buying green power, or even worse are just using green rhetoric.”

“The Soluna approach will allow for struggling renewable projects to remain profitable and therefore keep producing renewable power; stimulate further renewable capacity expansion as developers now have additional revenue streams to finance projects; and enhance the reliability of the grid by synchronizing supply and demand. As a result, the primary environmental benefit to the Soluna model will be further penetration of renewables onto the grid, in ways that would not happen without their variable demand solution,” Day added.

Today’s news follows Spring Lane Capital’s [announcement](#) in April regarding a second close of approximately \$50 million for its second private fund, bringing this fund’s total AUM to \$200M and Spring Lane Capital’s total AUM to \$350M. The fund finances entrepreneurs and project developers in the sustainable infrastructure sectors including food & ag, energy, water, waste and transportation. Spring Lane Capital [announced](#) a \$151M first close of the second fund in November 2021.

About Spring Lane Capital:

Spring Lane Capital is a private equity firm based in Boston, MA and Montreal, QC focused on providing hybrid project capital for sustainability solutions in the energy, food, water, waste and transportation industries. The firm’s structured financial model seeks to tap into some of the fastest growing segments of these markets, that more traditional forms of project capital cannot access due to their scale and the limitations of existing investment models. For more information, please visit springlanecapital.com.

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