

No stimulus funds for Leander battery manufacturing facility

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By Robert Bell Thursday, 06 August 2009

LEANDER — Austin-based battery manufacturer [Valence Technology Inc.](#), which had recently applied for \$225 million as part of a federal stimulus program that will fund next-generation battery technology, was not included on the list released August 5 of companies that will receive funding from that program.

Valence had applied for the money to help pay for a manufacturing facility in Leander.

“The Vice President’s announcement today in Detroit concerning the grants awarded under the [U.S. Department of Energy’s Electric Drive Vehicle Battery and Component Manufacturing Initiative](#) was disappointing news for the Austin region and for the state of Texas,” said Robert Kannode, president and CEO of Valence.

“However, Valence Technology still has a separate application with the U.S. Department of Energy, under the Advanced Technology Vehicles Manufacturing Incentive Program ([ATVMIP](#)), for low-interest loans to help finance the construction of a world-class advanced battery manufacturing facility in Leander, Texas. A majority of the funding for the proposed facility would be derived from the loans under this program.”

Kirk Clennan, [Leander](#) economic development director, expressed disappointment about Valence not being awarded funding, but he said the city will still work with the company on its plans in Leander.

“We continue to support Valence and will work with them on whatever they think the next step should be,” Clennan said.