Renewable Energy Update

an Allen Matkins market intelligence publication



June 23, 2009

U.S. House of Representatives Expected to Vote on Climate Bill Soon

Reuters - June 16

Having put environmental legislation on the fast track, the House of Representatives is expected to vote on President Obama's climate change bill before July 6. In May, the House Energy and Commerce Committee approved the bill requiring states to reduce their industrial emissions of carbon dioxide and other greenhouse gases from 2005 levels by 17 percent by 2020 and by 83 percent by 2050.

Renewable Energy Focus

Renewable Power Costs on the Rise in California

San Francisco Chronicle - June 13

Plans to get one-third of the state's electricity from renewable sources by 2020 could cost \$115 billion in new infrastructure, according to a <u>report</u> released by the California Public Utilities Commission. Last year, a similar report from the commission estimated the cost at \$60 billion. By 2020, the state's average price for electricity could rise as much as 28 percent above today's levels, based on current dollars. However, the commission report notes that electricity costs will rise regardless of whether the state expands its use of solar, wind and geothermal power.

Officials Vow Support for Renewable Energy in West

The New York Times - June 15

Cabinet leaders in the Obama administration have pledged to help Western states develop a robust system for delivering renewable energy. Interior Secretary Ken Salazar and Agriculture Secretary Tom Vilsack have vowed to make renewable energy a priority and find ways to streamline permitting. Salazar said four Western states -- Arizona, California, Nevada and Wyoming -- will get federal renewable energy planning offices to help make sure projects do not get stalled.

Iowa is First State to Receive Energy Stimulus Dollars

Des Moines Register - June 22

U.S. Energy Secretary, Steven Chu, announced that Iowa would receive \$16 million in federal stimulus package money dedicated to promoting renewable energy in the individual states. Iowa, one of the nation's top renewable energy producers, is the first state to receive its initial installment of the money and is expected to receive a total of roughly \$41 million from the State Energy Program. The money is aimed at promoting clean energy industries through job training and investments in research and development. The money will be distributed through the Office of Energy Independence, a Cabinet-level position created by the Iowa Legislature in 2007.

U.S. EPA Issues Clean Energy Action Guide for States

Environmental News Network - June 22

The U.S. EPA issued a report that outlines a strategy to deliver clean, low-cost, and reliable energy to state residents through the use of energy efficiency, renewable energy and clean distributed generation. The intent is to provide states with the information they need to determine what energy options would be the most beneficial, practical and cost-effective. EPA estimates that if each state were to implement cost-effective clean energy-environment policies, the expected growth in demand for electricity could be cut in half by 2025, and more demand could be met through cleaner energy supply. This would mean annual savings of more than 900 billion kilowatt-hours (kWh) and \$70 billion in energy costs by 2025, while preventing the need for more than 300 power plants and reducing greenhouse gas emissions by an amount equivalent to emissions from 80 million of today's vehicles.

Wind Speeds Are Slowing

The New York Times, Green Inc. - June 15

A new study reports wind speeds in the U.S. have dropped 15 to 30 percent over the course of about 30 years. And authors suggest climate change could be to blame. However, the findings may not translate directly into trouble for the wind industry, one author noted, since the measurements he used came from anemometer readings at airports, where instruments tend to be roughly 30 feet above the surface; wind turbines are 250 to 400 feet tall and the winds at that height could behave differently.

New Renewable Energy Research Center to be Founded at Caltech

Pasadena Star - News - June 16

California Institute of Technology will step up its research into renewable energy with the creation of a new \$90 million institute, officials said. The new Resnick Sustainability Institute, which initially will open on one floor of an existing building on the Caltech campus, will be dedicated to researching new ways of generating energy from the sun and other sustainable sources, said Harry Gray, Caltech's Arnold O. Beckman professor of chemistry and founding director of the Beckman Institute.

Pollster Says Democrats Should Change Renewable Energy Message

New York Times, Greenwire - June 18

The American public is eager for dramatic change in U.S. energy policy, but Democratic efforts to sell their agenda on energy and climate change are not reaching voters, a Democratic Party polling firm warns. The strategy <u>memo</u> from Greenberg Quinlan Rosner and the think tank Third Way also notes that Democrats are susceptible to Republican arguments that energy proposals will be overly burdensome. The memo advises that the best sales pitch for Democrats' plans is "Get America running on clean energy," and forget talk about "green jobs" and "cap and trade."

Wind Power May Need to Reach Higher

USA Today - June 15

The windmill of the future might be a kite, suggest energy researchers. In a study of jet-stream winds over the last 28 years, Ken Caldeira of the Carnegie Institution and Cristina Archer of California State University, Chico, report a global survey of high altitude wind energy. Caldeira says winds at higher altitudes blow much more strongly and steadily than near-surface winds but that would require reaching near jet streams, around 30,000 feet, to receive the advantage.

California RPS Could Result in \$12B in New Transmission Costs

Greentech Media - June 15

Seven new transmission lines costing \$12 billion would likely be needed for California's utilities to meet a proposed goal to mix 33 percent of its electricity supplies from renewable sources by 2020, according to a new report by the California Public Utilities Commission. To achieve the 33 percent goal, the state should create policies that would make it easier to buy or generate renewable electricity, including approving projects that do not require new transmission lines or creating zones set aside specifically for renewable power projects, the report said.

The Interstate Renewable Energy Council Announces its 16th Annual Search for Innovative Renewable Energy Projects and Programs

Renewable Energy World - June 19

Each year, the Interstate Renewable Energy Council recognizes individuals and organizations that have implemented innovative projects during the past year that promote and accelerate the adoption of renewable energy technologies. Eligible programs or activities include education, energy policy, legislation, regulatory actions, demonstration projects, research and development, or financial incentives. Projects must have been completed during 2008. Award recipients will be recognized during IREC's annual meeting on October 26, 2009, and will receive a commemorative plaque recognizing their achievement. The winning entries will also be posted on the IREC website, featured in a national press release and listed in a brochure to be distributed to all attendees at the annual meeting.

Notable Renewable Energy Projects and Deals

CPUC Approves SCE Rooftop Solar Panel Plan

Mercury News - June 18

Southern California Edison (SCE) has gotten the go-ahead to construct solar panels on scores of commercial building rooftops across Southern California. The utility says the Public Utilities Commission has approved the installation of solar panels on 150 otherwise unused rooftops over five years. The utility says together those sites will generate about 250 megawatts of power, make use of unused urban space and create as many as 800 jobs. Edison previously said the project would cost \$875 million.

San Jose Bio-Gas Facility

Reuters - June 17

San Jose is working on potential lease terms and guidelines to develop an organics-to-energy bio-gas facility. The proposed facility, which would be constructed and operated by Zanker Road Biogas, will be based on a 40-acre site near the San Jose/Santa Clara Water Pollution Control Plant. Pending successful negotiations for a Memorandum of Understanding, the City will issue a lease to Zero Waste Energy Development Company, Inc., a partnership between GreenWaste Recovery and its sister company, Zanker Road Resource Management.

SCE New Solar Contracts

Reuters - June 17

Southern California Edison (SCE) has signed contracts to buy up to 960 megawatts of power from wind and solar energy suppliers. The contracts are part of California's shift toward renewable energy sources to reduce dependence on fossil fuels that are blamed for contributing to climate change. SCE said it has two contracts with Solar Millennium for up to 726 MW of electricity from solar thermal plants to be built in Blythe and Ridgecrest. The plants are scheduled to begin operations in 2013 and 2014.

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Have a suggestion?

Tell us what you think.

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Recent Events

Allen Matkins has attended numerous events addressing developments in the renewable energy field in 2009. A <u>summary can be found</u> <u>here</u>.

Allen Matkins hosted the successful panel discussion on **Renewable Energy Project Finance**. For a copy of the program materials, <u>click here</u>.

Upcoming Events

Tribal Energy in California Conference

> Cabazon, CA June 22 & 23

Your Voice: Developing Local Renewable Energy Projects -Sierra Program Folsom, CA July 10

South Coast Air Quality Management District "Green Tech Connect Forum" Pasadena, CA August 3 & 4

Energy In California

San Francisco, CA

September 14 & 15

Developing Wind Power

Projects in California Marina del Rey, CA Sept 17 & 18

2nd Renewable Energy

Finance Forum – West San Francisco, CA September 29 & 30

Solar Power International

Anaheim, CA October 27-29

Recent Opportunities

LADWP and Power Solar Photovoltaic Systems And Professional Services RFP

Los Angeles Unified School District's Solar Site Surveys Services RFP

<u>Due Date Extended for</u> <u>LADWP Opportunity;</u> <u>City of Willows</u> <u>Opportunity</u>

Inland Empire Utilities Agency Extends Deadline for Fuel Cell Power Generation Systems Design-Build <u>RFP</u>

U.S. Navy and Marine Corps and Marin Energy Authority Renewable Energy Opportunities

<u>New Submission</u> <u>Deadlines Released for</u> <u>the California Energy</u> <u>Commission Alternative</u> <u>and Renewable Fuel and</u> <u>Vehicle Technology</u> <u>Program</u>

Los Angeles Department of Water and Power Renewable Energy Supply Rolling Request for Proposals

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