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an Allen Matkins market intelligence publication

March 9, 2011

<u>California utilities miss state-mandated renewable energy goal</u> SF Gate - Mar 4

Or Gale - Mai 4

California's three largest utilities have failed to meet a state-mandated goal of obtaining at least 20% of their electricity from renewable sources. The Renewables Portfolio Standard, enacted by the California Public Utilities Commission in 2010, required utilities in the state to attain the 20% goal on March 1. While none of them succeeded, <u>Southern California Edison</u> came closest, with 19.4% of its energy coming from renewable sources. <u>Pacific Gas & Electric</u> also came close to the target, with 17.7% of the energy it sold sourced from renewables. <u>San Diego Gas & Electric</u> obtained only 11.9% of its power from renewable sources. The utilities will still be able to comply with the CPUC goal by exceeding the 20% goal by, at minimum, the same amount by which they fell short in 2011 within the next three years.

Related News:

California utilities fall short of renewables goal, but not by much

RENEWABLE ENERGY FOCUS

EPA delays GHG reporting deadline

Environmental Leader - Mar 1

The EPA has extended the reporting deadline for large greenhouse gas emitters, saying they are in the process of developing an online tool that will ensure that its emissions-reporting requirements are "practical and understandable" to those obligated to participate. The agency did not give a specific date for the release of the tool, but said it should be ready by summer 2011. The EPA has been under attack for its GHG-reporting policy in recent months by a GOP-led House of Representatives; a recent spending bill developed by House Republicans slashed billions of dollars from the agency's budget, while Rep. Fred Upton (R-Mich.) accused the agency of making it unreasonably difficult for companies to do business in the U.S.

Related News:

EPA claims Clean Air act will give \$2T boost to economy Oil industry advocates warn against EPA GHG regulations

On-farm renewable energy production shows strong growth

Sustainable Business - Mar 2

The number of solar panels, wind turbines and methane digesters on America's farms and ranches has increased significantly over the past decade and there are now 8,569 operations producing their own renewable energy, according to the results of the <u>2009 On-Farm Renewable Energy Production Survey</u> released last week.

<u>CPUC president bashes FHFA at PACE conference</u>

MyDesert - Mar 4

The Federal Housing Finance Agency's (FHFA) motion to shut down Property Assessed Clean Energy financing (PACE) projects drew sharp criticism from CPUC president Michael Peevey during his speech at a <u>PACE conference</u> in Palm Desert. Peevey referred to FHFA's actions as "profoundly troubling" and "incomprehensible," in a speech that also detailed the value of PACE programs



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Past issues

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Upcoming Events

Fortune Brainstorm Green Laguna Niguel, CA April 4-6, 2011

American Wind Energy Association (AWEA) Windpower 2011 Anaheim, CA May 22-25, 2011

RETECH 2011: The Renewable Energy Technology Conference & Exhibition Washington, DC September 20-22, 2011

Solar Power International 2011 Dallas, TX October 17-20, 2011

Recent Opportunities

Pacific Gas and Electric Company to Release 2011 Photovoltaic Program Power Purchse Agreement Request for Offers

San Francisco Public Utilities Commission Request for Qualifications for Design-Build Solar Photovoltaic Projects

http://www.allenmatkins.com/templates/nltr_REU_2010-07-08.asp?is_id=270[3/10/2011 9:36:50 AM]

and the AB 811 law to the Palm Desert region and its ideological importance to the energy industry.

U.S. solar growth hinges on big cash infusions

Reuters - Mar 3

The rebounding U.S. economy is likely to lift power prices, making it easier to finance solar projects, but the industry would likely need to raise about \$10 billion to reach the 1.6 GW mark that consultancy IHS Herold expects to be built in 2011.

NRG CEO predicts diminishing demand for large-scale solar projects

Wall Street Journal - Feb 25

Demand for utility-scale solar power plants will subside as government incentives for the projects dry up, says David Crane, CEO of New Jersey-based power generator NRG. In the meantime, Crane says his company plans to move forward with around 1,000MW of solar projects, two-thirds of which are large scale. Once government incentives for large solar projects start to disappear, NRG will focus more on distributed solar. According to Crane, NRG favors solar over other forms of renewable energy because of the "billboard value" of solar panels as a means of demonstrating a company's environmental commitment and because of solar's plentiful opportunities for innovation. **Related News:**

Mid-sized solar projects gaining favor in California

Analysis: Distributed solar not a threat to solvency of utilities

ALT Energy Stocks - Feb 25

Regulated utilities will not be driven out of business by cheap, distributed solar power, posits Tom Konrad in ALT Energy Stocks, but it will likely cause enough market disruption to threaten independent power producers. Konrad finds fault with investment fund executive Brad Tirpak's premise that utilities are as unprepared for plummeting energy prices due to cheap solar as newspapers were for the rise of the internet. Utilities have more means of protecting their solvency than raising prices, Konrad asserts, and will survive despite the climb of cheap solar power.

DOE partners with U.A.E. program on solar PV coating project

Department of Energy - Feb 28

The DOE will partner with Abu Dhabi-based renewable energy initiative Masdar to test the performance of coating technologies for solar PV panels. The coatings are designed to prevent moisture, cementation, and dry dust adhesion problems currently faced by solar PV module manufacturers. Under the terms of a 2010 memo of understanding signed by both parties, the U.S. National Renewable Energy Laboratory (NREL) will test various PV coatings it has developed at a Masdar site in the U.A.E.

Iberdrola to slash investment in new capacity in 2012

Wall Street Journal - Mar 2

The world's largest wind power producer, Iberdrola Renovables, has announced plans to add about 750MW of capacity in 2012, roughly half the 1,450MW it has planned to add in 2011. The Spanish firm's decision serves as an indicator of a slowdown both in power demand and wind power capacity increases in such key markets as the U.S. and Spain. Iberdrola expects its operating result and net profit to increase by at least 10% in 2012 compared to 2010 due to cost-cutting measures and improved wind farm efficiency.

Wisconsin suspends wind siting rules

Wind Power Monthly - Mar 2



Allen Matkins #1 Real Estate Law Firm in California 2002-2010

Allen Matkins is a full-service law firm with more than 220 attorneys practicing in seven offices throughout California. Some of the areas of focus at Allen Matkins include green and sustainable construction, construction, corporate, real estate, project finance, business litigation, taxation, land use, environmental, bankruptcy, creditors' rights, intellectual property and employment and labor law. <u>More...</u> The Wisconsin state legislature has suspended wind siting rules intended to clarify the patchwork of local regulations on the day they were scheduled to come into effect. The rules, which were submitted by the Wisconsin Public Service Commission for approval in September, were designed to solve a development drought in the state caused by variation in siting regulations between counties. The rules would have applied to projects under 100MW and set a safety setback distance from houses and occupied buildings of 3.1 times the maximum blade tip height of the wind turbine.

GOP legislators aim to keep California hydro projects running

Redding Record Searchlight - Feb 26

Two Republican legislators representing northern Californian constituencies are pushing to keep four hydro dams in the region open by issuing an amendment to the House's resolution that would defund federal studies on the facilities' environmental impact. Situated on the Klamath River, the dams produce 155MW of electricity but also cut off an estimated 300 miles of salmon spawning grounds. More than 40 groups signed an accord last year to explore removal of the dams, leading to studies by the U.S. Bureau of Reclamation and the U.S. Fish and Wildlife Service. Rep. Tom McClintock (R-Fair Oaks) proposal to slash \$1.9 million in funding for the studies gained support of fellow Republican Rep. Wally Herger of Chico, but is widely considered to have little hope of receiving Senate approval.

SCE plans \$750M solar power transmission project

Victorville Daily Press - Mar 1

Southern California Edison (SCE) is planning construction of a 67-mile transmission link intended to connect solar projects in the Mojave Desert to the power grid. The \$750-million transmission line would connect SCE's Lugo and Pisgah substations, and would affect about 600 residents between Hesperia and Lucerne Valley. The utility is currently seeking public opinion on routing for the transmission corridor. Pending approval of the project by the California Public Utilities Commission, SCE estimates that the transmission corridor will be in service by 2017.

SCE transmission line draws fire from SoCal residents

San Gabriel Valley Tribune - Feb 27

Residents of Duarte, California are complaining that towers for Southern California Edison's (SCE) Tehachapi Renewable Transmission Project constitute an eyesore and pass too close to their homes. Complaints have been on the rise since SCE's decision to move the towers closer to homes in Duarte. The towers would still be in the right-of-way established in the project application thus clearing the utility to make the change, said SCE spokesman Ray Paz. No lawsuits have yet been filed against SCE by Duarte residents.

NOTABLE RENEWABLE ENERGY PROJECTS AND DEALS

PG&E starts work on 50 MWs of new 250-MW solar project

Clean Energy Authority - Mar 2

PG&E Co. is one step closer to owning 50 megawatts of solar power and well on its way to owning 250 MWs of solar. The company announced last week that it completed the purchase of three sites for photovoltaic farms and that it was breaking ground on the projects, which should be complete by the third quarter of 2011.

L.A. utility places \$32M order for residential solar PV panels Oregon Live - Mar 2

The Los Angeles Department of Water and Power (LADWP) has ordered \$32

million worth of solar panels from the Hillsboro, Oregon, manufacturing plant of German company SolarWorld. In addition to making the cells, SolarWorld will provide engineering and racking for the 11.6MW system. The solar facility will be located on a 42-acre site 65 miles from Los Angeles. The LADWP is financing the project with federal energy conservation bonds.

Solar Millennium close to securing \$3.8B financing for California solar plant

Bloomberg - Mar 3

Berkeley-based solar developer, Solar Millennium, will soon complete financing arrangements for a planned \$3.8 billion solar project in California. The financing, which will likely include funds from the DOE, is anticipated to be finished this summer, according to Solar Millennium chief executive Christoph Wolff. The company claims to have 2.7GW of power in the planning stages.

SunRun, SunWize form partnership on residential solar PV

Business Wire - Mar 2

Solar installation company SunWize Systems has partnered with solar service firm SunRun to sell solar electricity service agreements to California consumers. The campaign is designed to make residential solar installations more broadly available via SunRun's no-money-down financing plan. SunRun also gives customers the option of paying a one-time installation fee paired with reduced monthly energy bills. SunRun's agreements also cover monitoring, repairs, insurance, and a performance guarantee, according to a SunWize release.

Related News:

SunRun signs 10,000th customer

Spinnaker aquires 707MW Martifer renewables assets

Wind Power Monthly - Mar 1

California-based developer Spinnaker Energy has acquired 707MW of wind and solar developments from Martifer Renewable Electricity. Spinnaker has paid an undisclosed sum for the assets, which include 600MW of wind farms in south Texas and a 106.8MW hybrid solar thermal and biomass energy project in California.

AES announces financial close on California wind project

WindTech International - Mar 4

The AES Corporation (AES) has announced it has reached financial close on the 49MW Mountain View IV wind project located in Palm Springs, California. The project expands AES' operational wind platform in California to approximately 200MW.

U.S. offers \$102M loan guarantee for Maine wind project

Bloomberg - Mar 3

The U.S. Energy Department offered project developers Wagner Wind Energy and Independence Wind LLC a conditional commitment for a \$102 million loan guarantee for a wind farm they are planning near Roxbury, Maine.

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