

an Allen Matkins market intelligence publication

### November 23, 2011

## DOE announces \$7M to reduce non-hardware costs of solar energy systems

### DOE - Nov 15

Energy Secretary Steven Chu announced up to \$7 million to reduce the nonhardware costs of residential and commercial solar energy installations. The funding will be made available through the SunShot Incubator Program, which traditionally focused on solving hardware challenges. It will be awarded in two tiers: Tier 1 includes three to five awards of up to \$500,000 with a 20% cost share over 12 months to accelerate the development of innovative non-hardware concepts; and Tier 2 includes one to three awards of up to \$5 million with a 50% cost share over 18 months to transition innovative systems and solutions to the demonstration stage and eventually to full-scale deployment. Since 2007, the DOE has invested \$60 million in the Incubator program for photovoltaics, accelerating the development of technologies that have attracted more than \$1.3 billion in private investment.

### **RENEWABLE ENERGY FOCUS**

### Clean energy investment may double to \$395B by 2020

### Bloomberg - Nov 16

Investment in renewable power generation may double to \$395 billion a year by 2020, led by growth in offshore wind and solar energy projects, Bloomberg New Energy Finance forecast. The total may rise further to \$460 billion a year in real terms by 2030 from \$195 billion in 2010. The investments would boost clean energy as a portion of total world generation capacity to 15.7% within 20 years from 12.6% in 2010. The findings suggest wind, solar and biofuel industries will continue quick growth through stumbling economic growth and a lack of commitment from the U.S. and China to restrain pollution blamed for global warming.

### EPA, DOE to convert brownfields to clean energy sites

### U.S. EPA - Nov 11

The U.S. EPA and the DOE's National Renewable Energy Laboratory (NREL) are evaluating the feasibility of developing renewable energy production on Superfund, brownfields and former landfill or mining sites. EPA is investing about \$1 million for projects across the country aiming to revitalize abandoned sites while protecting people's health, the environment and providing economic benefits to local communities, including job creation. Projects will analyze the potential development of wind, solar, biomass or geothermal at 26 sites, including California. The analysis will determine the best renewable energy technology for the site, potential energy generating capacity, the return on the investment and the economic feasibility of the renewable energy projects.

### DOE asked Solyndra to delay layoffs until after midterms

### Washington Post - Nov 15

The Obama administration asked Solyndra to delay announcing it would lay off workers until after the November 2010 midterm elections that imperiled Democratic control of Congress, according to emails released as part of a House Energy and Commerce Committee memo. The announcement could have been politically damaging because President Obama and others in the administration had held up Solyndra as a poster child of its clean-energy



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#### Past issues

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## Upcoming Events

AWEA WindPower 2012 Atlanta, GA June 3-6, 2012

#### **Recent Opportunities**

Metropolitan Water District of Southern California Request for Proposals for Renewable Energy Development Opportunities on Metropolitan Property in the I-10 Corridor

Sonoma County Water Agency Wind Energy System Request for Proposals

Southern California Public Power Authority Request for Proposals for Renewable Energy Projects initiative. The announcement was made on Nov. 3, 2010, immediately following the Nov. 2 vote.

### **Related News:**

Solyndra postpones sale until January, seeks better bids Solyndra funding mostly lost to taxpayers: Chu

## Infocast's Renewables West 2011 Summit coincides with Senate Bill 2

### MarketWire / Infocast - Nov 15

Infocast will hold the <u>Renewables West 2011 Summit</u> at the Rancho Bernardo Inn in San Diego, Calif. on Dec. 5-6. The Summit coincides with Governor Jerry Brown signing Senate Bill 2 to increase California's Renewables Portfolio Standard, requiring electric utilities to procure 33% of their energy from renewables by 2020. It is among the most aggressive renewable energy goals in the U.S. Infocast designed the Summit to help participants play a key role in providing new renewable generation capacity.

### UC San Diego researchers map California solar hotspots

### KPBS - Nov 15

Jacobs School of Engineering Professor Jan Kleissl and a colleague used data gathered by the space shuttle Endeavor to <u>calculate solar power production in</u> <u>California</u>. He used the measurements from NASA's Shuttle Radar Topography Mission to predict how changes in elevation, such as hills and valleys -- and the shadows they create -- impact power output in California's solar grid. He said the maps are more accurate than other topographic maps.

## SunRun, PV Solar Report find solar adoption highest in median income zip codes

### PR Newswire / SunRun - Nov 15

SunRun and PV Solar Report announced that families in median income zip codes make up the majority of California's home solar market. Two-thirds of California home solar installations in 2009, 2010 and 2011 year-to-date have been in zip codes with median annual household incomes of less than \$85,000 and not in the wealthiest areas of the state. Additionally, the number of residential projects in lower income zip codes continues to increase as solar prices decrease. The findings are consistent with PV Solar Report's list of Top Ten Solar Cities that was published in October.

### <u>CPUC approves five CPV power purchase agreements for</u> <u>SDG&E</u>

### Solar Industry - Nov 11

The CPUC approved a five-project concentrating photovoltaic facilities contract for SDG&E. The CPUC approved 25-year power purchase agreements for SDG&E with LanEast Solar Farm, LanWest Solar Farm, Desert Green Solar Farm, Rugged Solar and Tierra Del Sol Solar Farm. The facilities, which are expected to begin delivering energy in 2014, are expected to provide a combined 114MW of capacity and an estimated 280 GWh of energy annually.





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>

### <u>China Lake</u>

### SunPower - Nov 11

SunPower has begun designs for a 13.78MW solar photovoltaic power system at Naval Air Weapons Station China Lake in California and intends to break ground in December. The system will generate the equivalent of more than 30% of China Lake's annual energy load. The installation will be the government's first solar power plant financed by a 20-year Federal solar power purchase agreement using the authority relevant to contracts for energy or fuel for military installations.

## California approves Abengoa solar deal despite high cost

### Bloomberg - Nov 11

Spanish engineering company Abengoa received regulatory approval to sell utility PG&E the output from its 250MW solar-thermal project in California's Mojave Desert amid concern over its high cost. The 25-year contract is more expensive than PG&E's other procurement options, though its other benefits for the utility "warranted approving the project," the CPUC said. The terms were not disclosed. Abengoa's project is supported by a \$1.2-billion DOE loan guarantee.

### Related News:

Abengoa ramps up construction on CSP Mojave Solar Project Anger as California regulators approve 'overpriced' CSP deal

# Onshore wind energy to reach parity with fossil-fuel electricity by 2016

### BNEF - Nov 10

The cost of electricity from onshore wind energy will drop 12% in the next five years, making it competitive with fossil-fuel electricity by 2016, according to research from Bloomberg New Energy Finance (BNEF). This price drop will be driven by a mix of lower-cost equipment and gains in output efficiency, BNEF said. The best wind farms in the world already produce power as economically as coal, gas and nuclear generators, and the average wind farm will be fully competitive by 2016.

## Mortenson Construction, enXco team up for their 19th wind project

### Windpower Engineering & Development / Mortenson Construction - Nov 15

Mortenson Construction was selected by enXco to build the Pacific Wind Project. Located on the south slope of the Tehachapi Mountains in Kern County, California, the 8,500 acres project will generate 140MW. Mortenson will be responsible for the design and construction of access roads, foundations, erection, overhead and underground electrical collection system and an O&M facility that will support the project as well as other enXco projects slated for development in the area. Construction will begin in December 2011 and is expected to be complete in August 2012.

### Laidlaw's California biomass power plant purchase final

### Business Wire / Laidlaw Energy Group - Nov 14

Laidlaw Energy Group has completed the acquisition of an idled 12.5MW biomass power plant in Susanville, Calif. Laidlaw will invest about \$20 million in a 12month refurbishment to upgrade the equipment and hire a new crew and expects to start the plant up again in early- to mid-2013. The plant will run on low-grade forest residuals and will be Laidlaw's first West Coast project.

### NOTABLE RENEWABLE ENERGY PROJECTS AND DEALS

<u>German developer wants First Solar to supply California solar</u> <u>farms</u> Wall Street Journal - Nov 16 German solar-power developer Solarhybrid is pursuing U.S. solar-panel maker First Solar to supply two large California solar farms. Solarhybrid CEO Tom Schroder said the company wants to enter into a joint venture with First Solar to supply a 1,000MW solar farm and a 500MW solar facility, both proposed for the California desert.

### Southern California Edison selects Quanta Services for construction of transmission project

Quanta Services - Nov 16

Southern California Edison (SCE) selected PAR Electrical Contractors, a Quanta Services operating unit, to construct transmission infrastructure for SCE's Devers-Palo Verde 2 (DPV2) transmission project. Quanta will construct a 153-mile, 500kV electric transmission line in an existing corridor. Construction is expected to begin by the end of the fourth quarter of 2011 and should be completed in the third quarter of 2013.

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