Renewable Energy Update

an Allen Matkins market intelligence publication



June 30, 2009

DOE awards more than \$154M to four states for energy programs

U.S. Department of Energy - June 25

U.S. Department of Energy (DOE) Secretary Steven Chu announced more than \$154 million in Recovery Act funding to support energy efficiency and renewable energy projects in California, Missouri, New Hampshire and North Carolina. Under DOE's State Energy Program, states have proposed statewide plans that prioritize energy savings, create or retain jobs, increase the use of renewable energy, and reduce greenhouse gas emissions. California received \$90.4 million to leverage its program funding to provide a statewide energy efficiency retrofit program and cost effective clean energy systems for residential, commercial, and industrial buildings and facilities, among other projects.

Related News:

DOE awards more than \$204M for state energy programs in 10 states

Renewable Energy Focus

Climate bill passes in House

Washington Post - June 29

President Obama said that the House took an "extraordinary first step" by passing a climate bill, adding that he hoped it will "prod" action by the Senate and predicted that the legislation could make renewable energy "a driver of economic growth." In an interview with a small group of energy reporters in the Oval Office, Obama had few criticisms as he savored the narrow victory in the House on one of his top domestic priorities: a climate bill designed to reduce greenhouse gas emissions and to promote renewable energy and energy efficiency.

Related News:

House passes American Clean Energy and Security Act
Bill includes national RPS

Climate change bill passes in House after furious lobbying

Accelerated solar site review includes Mojave Desert acreage in the Inland region

The Press-Enterprise - June 29

The U.S. Secretary of the Interior on Monday declared 676,000 acres of the Southwest -- half in Riverside and San Bernardino counties -- as prime areas for large-scale solar energy development. The action means that applications to build projects in the 24 solar study areas, including vast sections of desert in the two counties, will be fast-tracked to meet federal energy goals, Secretary Ken Salazar announced at a news conference in Las Vegas. The streamlined review and approval process would take one year, instead of three to four years, Interior spokesman Frank Quimby said.

U.S. resists EU climate target for G8 summit

Reuters - June 23

The United States has been resisting European calls for industrialized nations to target an upper limit for global warming of 2 degrees Celsius (3.6 Fahrenheit), according to a draft summit text. Two degrees is seen by the European Union and many developing countries as the threshold beyond which climate change will reach danger levels, with rising seas and more heatwaves, floods and droughts. The Italian draft for a Group of Eight summit in Italy next month reaffirms a goal of agreeing to a U.N. climate pact in December and says a "substantial share" of stimulus packages should go to a greener economy.

Demand response could cut peak power demand by 20%

FERC - June 24

The extensive use of demand response could potentially cut the peak power demand in the United States by up to 20 percent in the next decade, according to a new report from the Federal Energy Regulatory Commission (FERC). Demand response gives utilities the ability to cut large commercial and industrial loads and to control other customers' use of air conditioning, refrigeration, and other large electrical appliances. More sophisticated means of demand response include the use of smart meters and "dynamic" utility pricing that varies with demand, so that customers are motivated to reduce or delay their electrical use during times of peak demand.

'Gigaton Throwdown' challenges policy-makers

Solar Industry - June 25

Clean energy CEOs, venture capitalists and academics have launched the "Gigaton Throwdown," an assessment of the nation's clean energy potential that identifies seven industries capable of creating 5 million clean energy jobs and reducing carbon dioxide emissions by 5 gigatons to 7 gigatons by 2020. The report issues a challenge to Washington policy-makers to remove obstacles that keep billions of capital investment dollars sitting on the sidelines. The report identified seven existing industries -- biofuel, nuclear, solar, geothermal, wind, building efficiency and construction materials -- that could reach gigaton scale over the next 10 years with new infusions of private capital.

Consumers want companies to use more renewable energy

North American Wind Power - June 26

Four out of five U.S. consumers support clean energy, and 55 percent want companies to increase their use of renewable energy, according to a joint study released by Natural Marketing Institut and Green-e Marketplace, a program of the nonprofit Center for Resource Solutions. According to the report, "Unlocking the Power of Renewable Energy Certification to Build Credibility with Consumers," the majority of the 4,000 Americans surveyed agreed that businesses should reduce greenhouse gas emissions and that they are more likely to purchase products bearing a seal that proves corporate sustainability commitments, like buying or using renewable energy.

Air quality board to consider fee on emissions

San Francisco Chronicle - June 25

Many California businesses could soon face the nation's first state fee for emitting greenhouse gases, under a proposal state air quality regulators are discussing. The fee -- about 12 cents per metric ton of carbon dioxide -- is not designed to penalize emissions. If approved by the California Air Resources Board, oil refineries, cement factories and electric utilities would bear most of the cost, with a typical refinery paying an estimated \$1.3 million per year. The fee would raise a total of \$51.2 million for each of the next three years, but eventually drop to \$36.2 million.

Notable Renewable Energy Projects and Deals

Solar Energy Initiatives secures land for California solar park

Business Wire - June 24

<u>Solar Energy Initiatives</u> has signed a contract securing land for the design, construction and operation of a solar park in Southern California. The project could generate more than \$80 million in revenue within five years. Construction of up to an 18-megawatt system represents Solar Energy Initiatives first contract in the solar park market. Preliminary work, including zoning, permitting, EPA and other activities, is expected to begin immediately. At full capacity, the solar park could generate enough green renewable energy to

displace more than 55,600 metric tons of carbon emissions.

eSolar to Build Second Cali Solar Plant

Earth2Tech - June 25

Solar thermal startup <u>eSolar</u>, has added another deal to its portfolio, indicating confidence from utilities -but also increasing pressure on the Pasadena-based company to deliver quickly. The startup recently
announced plans to build a 92-megawatt plant in Lancaster. It has signed a deal to sell 92 megawatts of
power to Alpine SunTower, a subsidiary of Princeton, N.J.-based energy company NRG Energy, which will
supply the solar power to Northern California's Pacific Gas and Electric.

Geothermal project piques quake fears

New York Times - June 23

A major geothermal project north of San Francisco has raised fears of earthquakes. American start-up AltaRock Energy is beginning to drill deep into ground laced with fault lines in an area two hours' drive north of San Francisco. AltaRock officials said that they chose the spot in part because the history of mostly small quakes reassured them that the risks were limited. Because large earthquakes tend to originate at great depths, breaking rock that far down carries more serious risk, seismologists say.

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Editors William R. Devine

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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> here.

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

Upcoming Events

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 Pacific Gas and Electric**

("PG&E") Issues Its 2009 Renewable

Portfolio Standard Solicitation

LADWP and Power Solar
Photovoltaic Systems
And Professional
Services RFP

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

> City of Willows Opportunity

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

Deadline Extended for
U.S. Navy and Marine
Corps Renewable
Energy General Systems
RFP; and Marin Energy
Authority Renewable
Energy Opportunity

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

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



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for Proposals

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