Renewable Energy Update

an Allen Matkins market intelligence publication

September 28, 2011

Solyndra blames DOE for its demise despite large loan guarantee

New York Times - Sep 21

In announcing that Solyndra executives would invoke their Fifth Amendment rights when they appear before Congress, a spokesman for the bankrupt solar energy company laid the blame for its demise at the feet of the same Department of Energy that invested \$527 million into the failed enterprise. Spokesman David Miller wrote that, at the same time Solyndra was building out the production facility that its hefty DOE loan guarantee had helped fund, the landscape for its solar photovoltaic panels was in flux. Miller noted that those conditions led to an oversupply of solar panels worldwide, which had a substantial impact on pricing for the company's panels and Solyndra's ability to ramp up its sales.

Related news:

Solyndra employees: Company suffered from mismanagement, heavy spending

RENEWABLE ENERGY FOCUS

Gov. Brown signs three renewable energy measures

Capital Public Radio - Sep 22

Three bills that deal with renewable energy projects have been signed by Calif. Gov. Jerry Brown. One of the bills is part of a program called the California Solar Initiative that uses surcharges on gas and electric bills to fund projects. Another measure extends an incentive program for installing clean energy technologies. The third requires the Dept. of Fish and Game to expedite the permitting process for renewable energy projects.

Renewables are the world's fastest-growing energy source

Los Angeles Times - Sep 20

The good news: renewable energy -- in the form of solar power, wind, hydroelectric and other types -- is the world's fastest-growing energy resource. That's according to the recently released U.S. Energy Department's International Energy Outlook 2011. The not-so-good news: World dependence on fossil fuels will remain, largely because of tremendous leaps in demand from China, India and other emerging economies. That increase in demand will be so great, DOE analysts say, that renewable energy will see only a slight increase in its share of the world's energy sources, rising from the current 10% to 14% in 2035.

Nevada's first wind farm to be largest in U.S. at 990MW

Reuters - Sep 19

A gigantic wind farm in Nev. with the power output of three or four averagesized coal plants has been proposed by the U.S. wind development subsidiary of European renewable energy investor Good Energies, according to ReCharge. The Wilson Creek Power Partners wind farm would be the largest in the U.S. at 990MW. It would also be Nev.'s first-ever wind farm.

<u>New Jersey surpasses California as largest commercial solar</u> <u>market</u> *Newsworks - Sep 22*

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Upcoming Events

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

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

Recent Opportunities

<u>City of Atwater's Request for</u> <u>Oualifications for Solar</u> <u>Photovoltaic System</u>

Request for Offers for Development of Sacramento Solar Highways

Ventura County Water Works' Moorpark Wastewater Treatment Plant Photovoltaic Electrical Generation System Request for Design-Build Qualifications N.J. moved ahead of Calif. to become the nation's largest commercial solar market. However, there are concerns about how long the state can maintain that ranking. A federal grant program for solar installations is scheduled to expire at the end of the year. Dennis Wilson, president of Mid-Atlantic Solar Energy Industries Association, said that could slow New Jersey's solar market. The pace of solar installation is exceeding the minimum needed to meet the state's renewable energy standard. Wilson said that's also affecting the market and deterring solar investment.

<u>Harvesting jet fuel: California farms could grow camelina</u> <u>sativa, a promising biofuel crop</u>

New Times - Sep 21

An ancient plant whose crushed seeds yielded oil to light the lamps of Rome may grow on San Luis Obispo County farmland this winter for a more modern purpose: to power jets. Known as camelina sativa, the mustard-like plant has already been successfully tested in Navy and Air Force jet fighters and in airline passenger jets, and the federal government wants to see more cropland devoted to growing it.

First Solar says plant to miss U.S. loan deadline

Reuters - Sep 22

First Solar said it would not meet a deadline to receive a federal loan guarantee for a huge solar power plant it is building in Calif., sending its shares to their lowest level in more than four years. The announcement cast a spotlight again on the Obama administration's support of renewable energy, which has come under fire by Republicans since the collapse of solar company Solyndra after it won more than \$500 million in backing from the DOE.

Green investors call U.S. loan process rigorous

Reuters - Sep 21

U.S. renewable energy investors defended the government energy loan program at the center of the political firestorm ignited by the high-profile collapse of solar panel maker Solyndra, one of the program's beneficiaries. Partners at top private equity firms that have participated in the government's loan guarantee program for alternative energy described the program's review process for applicants as "robust" and even more in-depth than in the private sector.

<u>Constellation to test sorghum biomass for two California</u> <u>plants</u>

Platts - Sep 21

Constellation Energy and biomass feedstock supplier Chromatin unveiled a partnership that could allow sorghum biomass to supplement existing fuels at two Calif. power plants jointly owned by Constellation and North American Power Group. Under an MOU between two Constellation subsidiaries and Chromatin, harvested biomass will be test burned at the Rio Bravo Poso plant in Bakersfield, which now burns coal and petroleum, and the Rio Bravo Fresno unit, near Fresno, which burns agricultural and wood waste, the companies said.

U.S. solar capacity expanded by 69% in Q2 2011

SEIA - Sep 20

According to the U.S. Solar Market Insight <u>report</u> released by Solar Energy Industries Association and GTM Research, developers installed 69% more U.S. solar power capacity in Q2 2011 than Q2 2010, led by commercial and government projects. Developers installed 314.3MW of solar photovoltaic power



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> in Q2 2011, compared with 186.5MW in Q2 2010. Commercial and government projects made up about half of the new installations in Q2, growing 22% from Q1. Residential projects accounted for about 30% and utility-scale plants were 16%. Calif. led the U.S. with 30% of new solar projects, down from 42% in Q1.

Cash-strapped California schools seek savings through solar

CNN - Sep 17

While some Calif. schools have cut budgets and laid off employees, some have spent millions on solar panels to trim their electricity bills. With the help of low-interest loans from the federal government, the San Ramon Valley Unified School District installed 10,000 photovoltaic panels at five schools. It was one of 90 systems in Calif., including some colleges, to do so. Those panels should create enough electricity to offset 67-75% of each school's electrical use, a San Ramon Valley official said. The savings initially will be used to pay back the loans, which came from federal stimulus funds, officials said.

Demonstration biomass plant in California closes for refinancing

Bioenergy News - Sep 9

A demonstration biomass energy plant near Bakersfield has been shut down while its operator restructures its financing and operations. Global Green Solutions said it has temporarily suspended operation of its Greensteam demonstration plant, which had been operating until the end of Aug. The company had planned to commence performance testing by mid-Aug., and by the end of the month was meeting all performance targets aside from emissions. It said emissions optimization was clearly progressing prior to the shut down.

Analysis: More false hope about renewable energies that consumers reject

Forbes - Sep 19

In this analysis, Robert L. Bradley Jr., CEO and founder of the Institute for Energy Research, says that alternative energy sources fail the cost, reliability and scalability tests. Excerpt: "Whether it is ethanol for transportation or wind and solar for electricity, politically correct energies are an economic drain. Wind and solar, in particular, are touted as the energy sources of the future. But entrepreneurs have tried to harness both for centuries. Their limited utility and obstacles, documented since the 1800s, explain why wind and solar make up just a tiny portion of our energy supply today despite a quarter-century of highly preferential taxpayer and ratepayer subsidy."

Wal-Mart plans solar energy at more California stores

Bloomberg Businessweek / AP - Sep 21

Wal-Mart said it plans to install solar-power panels at most of its Calif. stores. The company didn't give a timetable for adding the solar equipment. Wal-Mart said it will put panels on more than 130 more store rooftops in Calif., or more than 3/4 of its stores in the state. It said solar energy has cut the company's energy spending by more than \$1 million. The company hopes to use solar for 20-30% of each store's electricity needs.

NOTABLE RENEWABLE ENERGY PROJECTS AND DEALS

WWEC's 120MW wind project moves along in California

North American Windpower - Sep 22

Western Wind Energy announced that 80% of its Calif.-sited Windstar project is complete. According to the company, which owns 100% of the project, 70% of the nacelles have been installed on top of the towers, 75% of the rotors are either built or installed, and the two main substations are virtually complete. The interconnecting utility is expected to energize the project before Nov. 11, and possibly as early as Oct. 14.

enXco celebrates construction of 102MW California wind farm

Wind Energy News - Sep 16

Wind developer enXco celebrated the start of construction on the Shiloh III Wind Project in Calif. with a blade signing ceremony. The 102.5MW wind project is expected to begin delivering carbon-free electricity into the PG&E generation portfolio in Dec. Developed and owned by enXco, the project stretches over 4,600 acres of farmland, 98% of which remain usable for farming and ranching, and consists of 50 REpower 2.05 MW turbines. It is the third phase of a wind development whose first phases now generate 300MW of energy.

Biomass-fueled power plant coming to Otay Mesa

Sign On San Diego - Sep 21

A biomass-fueled power plant in Otay Mesa is a step closer to reality after alternative-power company Bull Moose Energy of San Diego reached an agreement to connect to the regional power grid. The plant would run on untreated wood discarded from building demolition cites as well as tree and brush trimmings that might otherwise decompose at landfills, slowly venting off earth-warming methane. Bull Moose CEO Amanda Martinez is seeking a buyer for a sustained 25MW that the plant will produce -- enough electricity to power about 25,000 homes -- through a long-term power purchase agreement.

<u>New kind of 40% efficient solar farm gets \$90M DOE loan</u> <u>guarantee</u>

School Transportation News - Sep 21

The DOE announced the recipients of an \$8.5 million Clean Cities initiative to support community planning for plug-in hybrids and charging infrastructure. One of the largest grants went to Calif.'s South Coast Air Quality Management District (SCAQMD). On Sept. 8 the SCAQMD in S. Calif. — the smoggiest region in the nation — was awarded \$1 million to fund the planning and implementation of plug-in electric vehicle (EV) charging infrastructure statewide.

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