Renewable Energy Update

an Allen Matkins http://www.jdsupra.com/pos/docume market intelligence publication



October 13, 2009

DOE announces private sector partnership to accelerate renewable energy projects

DOE - October 7

The Department of Energy (DOE) will provide up to \$750 million in funding from the American Recovery and Reinvestment Act to help accelerate the development of conventional renewable energy generation projects. This funding will cover the cost of loan guarantees, which could support as much as \$4 to 8 billion in lending to eligible projects, and the Department will invite private sector participation to accelerate the financing of these renewable energy projects. To this end, the Department announced the creation of its new FINANCE (FIPP), a streamlined set of standards designed to expedite DOE's loan guarantee underwriting process and leverage private sector expertise and capital for the efficient and prudent funding of eligible projects.

Renewable Energy Focus

Rules drafted for clean energy projects in California

GreenInc. - October 2

Regulators have issued draft rules regarding the development of solar farms and renewable energy plants in California. A state task force charged with developing guidelines to protect desert ecosystems while accelerating the rollout of renewable energy drafted the "Interim Guidance for Desert Renewable Energy Project Development", which is currently open for comment and subject to revision.

Prospects distant for offshore wind in west

GreenInc. - October 9

Winds off the coast of California are strong, according to the National Renewable Energy Laboratory, but wind development is stalled because the water is too deep. According to experts, the main problem is topography. Whereas the continental shelf extends for miles off the East Coast, the bedrock drops off sharply just beyond the West Coast -- making it too deep to anchor the turbines with current technology. A second difficulty is power prices. Electricity in California, while expensive relative to the middle of the country, is still cheaper than in most of New England.

PG&E signs new deals to provide reliable power supply in California

PG&E - October 1

Pacific Gas and Electric Company (PG&E) has announced a suite of new power agreements, totaling more than 2,000MW, that are expected to provide clean electricity for the 15 million people it serves in northern and central California. PG&E has entered into new contracts to buy more than 830MW of renewable generation from solar developers, enough to meet the needs of more than 200,000 average homes. In addition, to enable the utility to reliably increase its use of renewable energy, PG&E has asked the California Public Utilities Commission (CPUC) to approve new agreements for power from highly efficient and flexible natural gas-fired plants that can balance the fluctuating output of wind and solar resources.

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About Allen Matkins

Allen Matkins Leck Gamble Mallory & Natsis LLP, founded in 1977, is a California law firm with over 230 attorneys practicing out of seven offices in California. The firm's broad based areas of focus include construction, corporate, real estate, project finance, business litigation, taxation, land use, environmental, bankruptcy and creditors' rights, intellectual property and employment and labor law. More...



Allen Matkins #1 Real Estate Law Firm in California Chambers and Partners 2002 - 2009

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

Greentech Media - October 2

Prices for wind and solar power have crept up in recent years with the growth of the market, said PG&E CEO Peter Darbee. PG&E used to get wind power from independent providers for 6 to 8 cents per kilowatt hour. Then it rose to 8 to 10 cents, said Darbee; now it is north of 10 to 12 cents. Power from solar panels now runs around 15 to 20 cents a kilowatt hour, he added. PG&E, though, buys power from several sources and prices vary in contract and spot deals. The Rocky Mountain Institute (RMI) in San Francisco noted that the surge in demand has been a factor in pushing up prices for wind and solar. Wind power from large wind farms has risen from 4.5 cents per kilowatt hour to 5.15 cents a kilowatt hour.

U.S. transmission effort receives low grade

Renewable Energy World - October 6

Transmission is the topic of the day in the U.S. because the grid system is aging, out of date and incapable of supporting the nation's renewable energy goals. The American Society of Engineers estimates that it will need \$1.5 trillion in new investment by 2030. Lack of transmission is the biggest barrier to the U.S. target of making wind power produce 20% of power supply by 2030, according to the U.S. Department of Energy. In fact, the American Wind Energy Association (AWEA) gave the effort a low grade, C-, in its July 2009 '20% Wind Report Card'. While a few regions 'have made very modest progress', others are moving in the wrong direction.

California green push to staunch job losses

Reuters - October 7

California's plan to slow climate change will boost the state economy and save hundreds of thousands of jobs at risk from rising energy costs, a study by a University of California economist said. The state leads the nation with its plan to cut carbon dioxide emissions to 1990 levels by 2020 with measures from encouraging energy efficiency to getting a third of state electricity from renewable sources such as wind and solar. But the plan is under attack from businesses and some academics who say the costs of going green will bankrupt many enterprises. The state's decisions are also likely to affect the country at large, since federal policy often follows California's lead on environmental issues.

California debates over energy origins

Sustainable Industries - October 7

California is moving toward upping its RPS to 33% -- but how it will get there is yet to be determined. After California voters in November 2008 rejected Proposition 7, a ballot initiative that would have required all electricity providers in the state to increase their renewable energy generation to 40% by 2020 and 50% by 2025, the state legislature in September 2009 passed two bills mandating utilities to get one-third of their power from renewable sources by 2020. Gov. Arnold Schwarzenegger vetoed those bills and instead in September signed an Executive Order directing the California Air Resources Board to enact regulations to create a 33% RPS by 2020. The main difference between the bills and the governor's order lies in how much power could be imported from out of state. With restrictions on power purchased from out-of-state, the bills were overly complex and would have hampered the state's solar industry and driven up energy prices, according to the governor's office. Meanwhile, the bills' proponents say the governor's order will lack the clout of legislation and will be tougher to enforce.

PG&E says renewable power prices in an upswing Project Firement Firement Project Firement Fir **Project Finance**. For a copy of the program materials, click here.

Upcoming Events

2009 Algae Biomass Summit San Diego, CA October 7-9

ICSC Retail Green (Sustainability, Energy & **Environmental Design)** Hollywood, CA October 14-16 Allen Matkins will be attending. Please let us know

Solar Power Project Development San Diego, CA

if you plan to be there.

October 22 **Solar Power International**

Anaheim, CA October 27-29 Allen Matkins will be there!

Urban Land Institute

2009 ULI Fall Meeting and **Urban Land Expo** San Francisco, CA November 3-6 Allen Matkins will be attending. Please let us know if you plan to be there.

Green Technology Green California Schools Summit Pasadena, CA December 9-11

Clean-tech Investors <u>Summit</u> Palm Springs, CA January 20-21, 2010

2010 VerdeExchange **Green Marketmakers Conference** Los Angeles, CA January 24-25, 2010

Renewable Energy **Technology Conference** and Exhibition (RETECH) Washington, D.C. February 3-6, 2010

Recent Opportunities

NEW Inland Empire **Utilities Agency Request** for Proposals For Fuel Cell **Installation at Regional**

Plant 1 in Obbaument hosted at JDSUPRA

San Francisco Chronicle - October 8

The high-stakes fight over global warming legislation in Congress has forced American businesses to pick sides, and some old alliances are breaking as a result. Big-name companies such as Apple Inc. have resigned from the U.S. Chamber of Commerce, dismayed by the group's efforts to block greenhouse gas regulations. Nike gave up its seat on the chamber's board. PG&E quit the group after a chamber executive suggested holding a "Scopes monkey trial" on the validity of global warming. Dissention has hit the other side of the debate as well, although not to the same degree. The chamber insists that the departing companies have misunderstood its position.

Report: global cleantech investment down 22% in 3Q

Associated Press - October 2

From July to September, new global investment totaled \$25.9 billion, down 22% from a year ago and off 9% from the second quarter, according to London-based New Energy Finance. But the sector appears to be heading toward a recovery, with investment nearly double what it was in the first quarter and investors growing more confident. Many analysts think a turnaround will come in 2010 but caution that much depends on the U.S. economy, the health of the financial sector, natural gas prices and even electricity demand.

Notable Renewable Energy Projects and Deals

DOE announces \$87M to support solar energy technologies

DOE - October 8

Energy Secretary Steven Chu announced up to \$87 million will be made available to support the development of new solar energy technologies and the rapid deployment of available carbon-free solar energy systems. \$50 million of this funding comes from the American Recovery and Reinvestment Act. The 47 projects with universities, electric power utilities, DOE's National Laboratories, and local governments have been selected to support use of solar technologies in U.S. cities, help address technical challenges, ensure reliable connectivity with the electrical grid, and train a new generation of solar workers to install and maintain solar energy systems.

Pattern closes funding for California wind project

Reuters - October 8

Pattern Energy Group LP finished more than \$100 million in financing for a 101.2-megawatt wind project in California, citing an easing in the marketplace. Six banks joined in the debt funding for construction costs, which converts to a term financing facility upon commercial operation. The lenders include Natixis, Union Bank, LBBW, Calyon, Societe Generale and Westlb. Pattern Energy is developing the project in Shasta County and has a 15-year power purchase agreement with Pacific Gas and Electric Company for the power.

Google partners on device to monitor home energy

Reuters - October 5

Google Inc is partnering with Energy Inc to provide households with free energy management software, bypassing utilities' smart meters and potentially boosting energy efficiency, the company said. Google launched in February a Web tool called PowerMeter, which lets consumers monitor how much electricity they use at home. The catch was that they had to have a smart meter installed by their utility. For the past few months, a few hundred customers have tested the software. Now, consumers can buy Energy Inc's power-usage measuring device, called TED 5000, costing about \$200, and use Google's software on top of it, without ever needing a smart meter.

Los Angeles Unified School District's Request for Qualifications For Solar Photovoltaic Systems Installation

City of Willows
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 for Proposals

Solar Power, Inc. in deal with Ventura County

Document hosted at JDSUPRA

Business Wire - October 7

http://www.jdsupra.com/post/documentViewer.aspx?fid=9c85dd93-ce57-479b-9689-eb576530eb8d

Solar Power, Inc. (SPI) has been selected by the County of Ventura Board of Supervisors to design and install photovoltaic ("PV") solar systems on two of the County's buildings. SPI will install a 328 kW system on the Fleet Services and Public Works buildings at the Saticoy Operations Yard and a 169 kW system on the County's Vanguard building, located in Oxnard. This 497 kilowatt photovoltaic solar power project marks Ventura County's entry into the solar energy field.

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