Renewable Energy Update

an Allen Matkins market intelligence publication



August 25, 2009

Green dollars moving to smart grid, energy storage

Reuters - August 17

The U.S. green technology sector, which suffered a drop in funding early this year, is seeing renewed interest with venture dollars flowing into promising startups and companies looking to resurrect public offerings that had been set aside. Investment is seen shifting from capital-intensive energy generating technologies, such as solar and wind, to those associated with energy storage, transportation and efficiency. Bets are being placed on lithium-ion battery makers and startups in the smart grid sector that offer a range of possibilities from helping electric utilities operate systems more efficiently to enabling consumers to control energy use. Industry experts and company executives are expecting the appetite for investments in green technologies to see a significant pickup as early as this fall, with continued improvement through 2010.

Renewable Energy Focus

DOE gets more than 400 proposals for smart grid grants

EE Times - August 14

The U.S. Department of Energy (DOE) has received more than 400 proposals for economic stimulus grants to deploy smart electric grid systems. The DOE is still tallying the total amount of funds requested and will start selecting winning proposals in early November. Partnerships between utilities and vendors and much more work on smart grid standards lies ahead, but the focus now is on moving quickly to deployments.

<u>California's conceptual transmission plan for access to renewable energy</u> <u>announced</u>

Transmission & Distribution World - August 19

California's Renewable Energy Transmission Initiative (RETI) announced the availability of its <u>Phase 2A</u> <u>Report</u> -- a conceptual transmission plan that evaluates the usefulness of potential transmission lines in accessing and delivering renewable energy. The plan is intended to help enable development and approval of renewable energy infrastructure in ways that minimize the economic cost, environmental impacts and number of new transmission facilities. The California Public Utilities Commission, California Energy Commission and California Independent System Operator formed RETI, and were joined by Sacramento Municipal Utility District, the Northern California Power Agency and the Southern California Public Power Authority. RETI is a public-private partnership to consider the feasibility of building new transmission lines to access renewable generation from various areas of the state, or possibly adjoining states, and bring the power to population centers.

Analysts mull whether renewables should be "Made in the U.S.A."

Green Inc. - August 20

Some analysts say a global oversupply of solar panels makes opening new factories in the U.S. a losing proposition. Tax credits for renewable-energy equipment manufacturing became a reality, with the U.S. Energy and Treasury Departments officially launching a \$2.3 billion program that the stimulus package authorized back in February. The program offers tax credits that offset 30% of the cost of setting up factories in the U.S., but as companies rush to submit preliminary applications, the program also has sparked debate about whether subsidizing American manufacturing will pay off.

BPA grid reaches milestone, carries more than 2GW of wind power

Clean Edge News - August 18

The Bonneville Power Administration's (BPA) transmission grid recently reached a milestone, carrying more than 2,000 megawatts of wind power for more than an hour. According to BPA, this doubles the previous peak of 1,000 megawatts recorded in January 2008. To put that in context, wind turbines in eastern Oregon and Washington produced enough electricity to light all of Seattle and Portland for that hour. Of the 22 wind farms that contributed to this record, six have come on line this year. BPA has built five substations and six taplines to tie wind farms into its transmission grid with more in progress. BPA also reports that it has just begun constructing the first of 14 new meteorological stations that will facilitate wind forecasting.

CSCDA aims to make solar affordable

GreentechMedia - August 12

The California Statewide Community Development Authority (CSCDA), a joint power authority of the California State Association of Counties and the League of California Cities, is developing a statewide solar financing program that would be a much larger version of the one launched by the City of Berkeley last fall. Berkeley made headlines when it created an innovative program in which the city would sell bonds to pay for installing solar energy systems for its residents and businesses. The residents then repay the city via property taxes, plus interest, over a 20-year period. The CSCDA has hired Renewable Funding to develop a

similar program – its member cities and counties could join it instead of creating their own.

Notable Renewable Energy Projects and Deals

Oregon's Bonneville Power puts up prize for wind predictors

Cooler Planet - August 14

The Bonneville Power Administration in Oregon has announced it is holding a competition between two teams of researchers, one from Germany and the other from the U.S., that will work on ways to better predict significant changes in the region's winds. The competition is being conducted in an effort to maximize the performance of wind turbines in the Pacific Northwest and elsewhere. By better predicting changes in the wind, power companies will potentially find it easier to work the energy that is generated into the power grid.

Second phase of PGE's Biglow Canyon Wind Farm complete

Energy Central - August 20

Portland General Electric Company has announced that all 65 of the turbines erected for phase two of its Biglow Canyon Wind Farm have been completed and are available to supply power on the Pacific Northwest's electricity grid. Phase one of Biglow Canyon was completed in 2007, with 76 turbines and an installed capacity of 125 megawatts of electricity. Each of the phase two turbines is capable of generating up to 2.3 megawatts, bringing the combined installed capacity to 275 megawatts. A third phase with another 76 turbines is slated for commercial operation in 2010. The wind farm is located near Wasco in Sherman County, Oregon. When complete, it is expected to be one of the largest wind power facilities in the Pacific Northwest.

Meridian Energy gets into solar, acquiring Cleantech America

Cleantech - August 20

Wellington, New Zealand-based Meridian Energy has acquired San Francisco-based Cleantech America, which develops utility-scale photovoltaic solar farms. New Zealand's largest electricity generator said the move is expected to allow the company it grow its U.S. expertise and implement renewable energy projects in California, while adding solar for the first time to its portfolio. The state-owned enterprise, which already develops large-scale wind and hydroelectric projects, said it eventually plans to bring solar to the New Zealand market.

First Solar signs deal with Southern California Edison

Sustainable Industries - August 19

Southern California Edison (SCE) plans to buy power from two photovoltaic plants totaling 550 megawatts to be built by First Solar. As part of the agreement, which is subject to approval by state regulators, First Solar would build two thin-film solar PV plants in San Bernardino and Riverside counties. The 250 MW Desert Sunlight plant and the 300 MW Stateline project are expected to supply SCE with enough electricity to power 170,000 homes.

PG&E-BrightSource deal for solar energy OK'd

San Francisco Chronicle - August 21

The California Public Utilities Commission has given Pacific Gas and Electric Company (PG&E) permission to buy electricity from two large solar power plants that an Oakland firm plans to build in the Mojave Desert. PG&E won the commission's approval for two contracts with BrightSource Energy, one of several companies planning large-scale solar plants in the Southern California desert. The plants will use BrightSource's version of "solar thermal" technology. Fields of mirrors will focus sunlight on centralized towers, boiling water within the towers, creating steam and turning turbines. The first plant is scheduled to open in July 2012 at the Ivanpah dry lake bed in San Bernardino County.

Solar Trust offers 'turnkey' solar thermal option

CNET - August 18

Newly formed thermal solar energy company Solar Trust has acquired the rights to Solar Millennium's potentially lucrative agreement with Southern California Edison (SCE). The power purchase agreement, which was announced in June, gives Solar Trust the opportunity to build up to 726 megawatts' worth of solar power plants. If approved by the California Public Utilities Commission, the project would include the construction and installation of two or three 242-megawatt power plants that would be operational by 2013 or 2014. Solar Trust's strategy is to offer what it calls a "turnkey solution" to thermal solar energy development.

AltaRock to test geothermal fracturing

NY Times - August 19

AltaRock Energy Inc. is currently testing its Enhanced Geothermal Systems technology about 70 miles north of San Francisco, drilling down to rocks in excess of 500 degrees Fahrenheit. The company then fractures the rocks with high pressure water and begins circulating additional water through the cracks to produce steam, then used to drive electricity-producing turbines. However, local residents, who already deal with regular seismic tremors are concerned about the risks. The same geothermal technology triggered a 3.4magnitude earthquake in Switzerland in 2006. Geologists say any tremors caused by AltaRock will be too small to notice.

California firm hopes for new, more CO2-absorbent algae strain

Green Inc. - August 20

California start-up Aurora Biofuels says it has cultivated algae that doubles production of biodiesel by absorbing more than twice as much carbon dioxide as conventional strains. According to the company, Aurora's breakthrough was to develop algae mutations that can ingest carbon dioxide regardless of the intensity of sunlight. The company plans to have a demonstration plant capable of producing 1,000 gallons of fuel a day in operation by the second quarter of 2010. A full-scale production facility is to follow in 2011.

Subscribe

Have a suggestion?

Tell us what you think.

Editors William R. Devine

Patrick A. Perry

Emily Murray

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> <u>here</u>.

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

Upcoming Events

Energy In California San Francisco, CA

September 14 & 15

Developing Wind Power Projects in California Marina del Rey, CA Sept 17 & 18

Taking It Upstream: Collaboration, Consensus Building and Sustainable Development--A Green Leadership (Un)Conference Pepperdine University September 25

Bryan Jackson of Allen

Matkins is speaking. Get the Allen Matkins discount when you register!

2nd Renewable Energy Finance Forum – West San Francisco, CA September 29 & 30

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

ICSC Retail Green (Sustainability, Energy & Environmental Design) Hollywood, CA October 14-16

Solar Power Project Development San Diego, CA October 22

Solar Power International

Anaheim, CA October 27-29

<u>Urban Land Institute</u> 2009 ULI Fall Meeting and <u>Urban Land Expo</u>

San Francisco, CA November 3-6

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

<u>Clean-tech Investors</u> <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

Los Angeles Department of Water and Power Smart Grid Consulting Services Request for Proposals

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

^{© 2009} Allen Matkins Leck Gamble Mallory & Natsis LLP. All rights reserved. This email is intended for general information purposes only and should not be construed as legal advice or legal opinions on any specific facts or circumstances. This email was sent by: Allen Matkins Leck Gamble Mallory & Natsis LLP, 515 S. Figueroa Street, 7th Floor, Los Angeles, California 90071. To stop receiving this publication, just reply and enter "unsubscribe" in the subject line.