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Breaking ground in California Valley: Sun rises on new solar farm

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A forest of thousands of sturdy metal posts is sprouting in the wide open spaces of California Valley.

The posts will eventually support 720,000 photovoltaic panels that will be part of the California Valley Solar Ranch, one of the world's largest facilities to turn sunlight into electricity.

Several hundred people gathered at the project site near the Kern County line in eastern San Luis Obispo County on Thursday to celebrate the beginning of construction. No mention was made of financial losses recently experienced by parent company SunPower of San Jose, which have caused the resignation of three top executives.

Instead, the event focused on the substantial economic benefits the project will bring to the area. These include 350 construction jobs for three years and an injection of an estimated \$315 million into the local economy over the life of the project.

"This is the real deal. It's jobs, and it's renewable, emission-free energy," SunPower Chief Executive Officer Tom Werner said during his prepared remarks at the groundbreaking ceremony.

When complete in three years, the solar facility will produce 250 megawatts of electricity, which is enough to power as many as 100,000 homes. PG&E will take the power under a 25-year purchase agreement.

In an interview after the ceremony, Werner said the company remains stable in spite of a \$370 million third-quarter loss. He described the resignations, which include its chief financial officer, as a company reorganization to increase efficiency.

These problems do not threaten the California Valley project because it has received major financial backing from two outside sources, Werner said.

The federal Department of Energy has provided a \$1.2 billion loan guarantee and NRG Energy will provide up to \$450 million in funding. NRG Energy of Princeton, N.J., assumed ownership of the project Sept. 30, although SunPower will build the plant and operate it for the first two years after completion. San Francisco-based construction giant Bechtel is the project's building contractor.

Construction began in September with some 80 workers currently onsite. Enough panels will be installed by spring of next year for the facility to begin feeding electricity into the state's power grid.

The project was proposed three years ago. Layout of the solar panels underwent numerous revisions in order to avoid damaging habitat of the giant kangaroo rat, one of many federally listed endangered species that live on the Carrizo Plain.

"This project really demonstrates that technology and the environment can coexist," said County Supervisor Jim Patterson.

The facility will cover 8 square miles of grassland northeast of the Carrizo Plain National Monument. The solar panels will be located on 1,500 acres, scattered in eight separate clusters, leaving some 70 percent of the site to be managed as endangered species habitat. Other nearby land will also be conserved.

A second, larger solar plant is proposed to be built to the west of the SunPower project. The 550-megawatt Topaz Solar Farm by First Solar has been approved by the county.

That project suffered a setback when it failed to meet a Sept. 30 deadline to begin construction and lost \$1.9 billion in federal loan guarantees. First Solar is negotiating with private energy companies to find investment

partners.

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