

DOE offers loan guarantee for another Calif. project

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California's status as the big winner when it comes to federal loan guarantees for solar power was reinforced today when Energy Secretary Steven Chu awarded a \$2.1 billion credit line to Solar Trust of America LLC to help build a 484-megawatt plant in Riverside County.

The loan guarantee will aid construction of what would be the first phase of a 1,000 MW facility to be powered by rows and rows of parabolic solar troughs in Blythe, Calif. At \$2.1 billion, the guarantee represents the largest amount offered for a solar project by the U.S. government.

Chu, in announcing the loan to reporters, said the decision points to the Obama administration's firm belief in DOE's clean energy loan program, which barely survived the congressional budget ax last week.

"When we rev up the great American innovation machine, we can out-compete any other nation," said Chu, noting that the Blythe project would create 1,000 construction jobs locally and remove 700,000 tons of carbon dioxide equivalent from the atmosphere.

Also on the press call was Gov. Jerry Brown (D), who called the loan "really good news" that will help the state toward its goal of 33 percent renewable power by 2020. Brown signed a 33 percent renewable energy mandate into law last week during a ceremony attended by Chu.

The loan is the latest in a series that have gone to California plants or companies based in the state. DOE recently announced hefty guarantees for construction of SunPower Corp.'s California Valley Solar Ranch and BrightSource Energy Inc.'s Ivanpah solar thermal facility, and the Solar Trust loan means the department has now surpassed \$20 billion in guarantees or conditional commitments for 22 renewable energy projects.

Brown noted the Golden State trend in his remarks. "We really appreciate the confidence, and the investment," he said.

Uwe Schmidt, CEO of Solar Trust and chairman of the Blythe project's development subsidiary, Solar Millennium LLC, said preliminary construction of the first, 484 MW phase of the plant had started in the fall. He expects full construction to start in late spring or early summer.

The second phase of construction would make the plant (at 1,000 MW) the largest parabolic solar facility in the world, Schmidt added. He says construction would create 7,500 jobs across 10 states affected by the supply chain, to include the purchase of "more steel than used in the Golden Gate bridge."

"That supply chain will be active throughout the next decade," he said.