

THE DEPARTMENT OF ENERGY
Office of Public Affairs

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**Energy Department Finalizes Loan Guarantee to Support
California Solar Generation Project**

California project expected to fund over 550 jobs and generate clean, renewable solar power

Washington D.C. – U.S. Energy Secretary Steven Chu today announced that the Department finalized partial loan guarantees of \$1.46 billion in loans to Desert Sunlight 250, LLC and Desert Sunlight 300, LLC to support the Desert Sunlight Project. The 550 MW project is expected to be one of the world’s largest solar photovoltaic plants and is expected to fund over 550 construction jobs. The project will be located on land managed by the Bureau of Land Management in eastern Riverside County, California.

“To win the clean energy race we must invest in projects like this that fund jobs and increase the generation of clean, renewable power in the U.S.,” said Secretary Chu. “Deployment of utility-scale solar power will help bring down the cost of solar and strengthen our position as a global clean energy leader.”

The Desert Sunlight project is expected to use approximately 8.8 million cadmium telluride thin film solar PV modules, which are commercially proven and have been deployed since 2001. The facility is expected to generate enough electricity to power over 110,000 homes and will avoid over 735,000 metric tons of carbon dioxide annually. Project construction will take place in two phases, both of which are supported by power purchase agreements. Phase I will generate 300MW of power, which will be sold to Pacific Gas & Electric Company, while Phase II will generate 250 MW of power, which will be sold to Southern California Edison.

The \$1.46 billion in loans that are partially guaranteed by DOE will be funded by a group of investors led by lead lender and lender-applicant, Goldman Sachs Lending Partners LLC, which submitted the project under the Financial Institution Partnership Program (FIPP), and Citigroup Global Markets Inc. as co-lead arranger.

Loan applications reviewed by the Department have undergone many months of due diligence and often receive bipartisan support. DOE evaluates the technical aspects of an application to make sure the technology is feasible, work to ensure that projects can be built to scale, do extensive market analysis to ensure there is a place in the market for the product, and evaluate the finances of the project to ensure it is commercially viable. We are confident that supporting these projects will help American companies compete in the global clean energy market.

The Department of Energy's Loan Programs Office administers three separate programs: the Title XVII Section 1703 and Section 1705 loan guarantee programs, of which the FIPP program is part, and the Advanced Technology Vehicle Manufacturing (ATVM) loan program. The loan guarantee programs support the deployment of commercial technologies along with innovative technologies that avoid, reduce, or sequester greenhouse gas emissions, while ATVM supports the development of advanced vehicle technologies. To date, the Department has issued loans, loan guarantees or offered conditional commitments for loan guarantees totaling nearly \$40 billion to support more than 40 clean energy projects across the United States, including several of the world's largest solar generation facilities, three geothermal projects, the world's largest wind farm, and the nation's first new nuclear power plant in three decades. For more information, please visit <http://www.lpo.energy.gov>.

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