

SUNPOWER™



Kevin Prince
Manager, Federal Programs
SunPower North America

How the Federal Government can Fuel
Solar Growth in the U.S.

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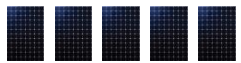
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Agenda

- What's at Stake
- U.S. Market Projections
- Increasing the Momentum
- Summary

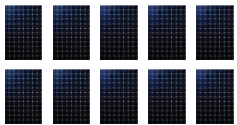
Growth Opportunity

- In 2000, China and the U.S. both had 5 solar equipment manufacturers.



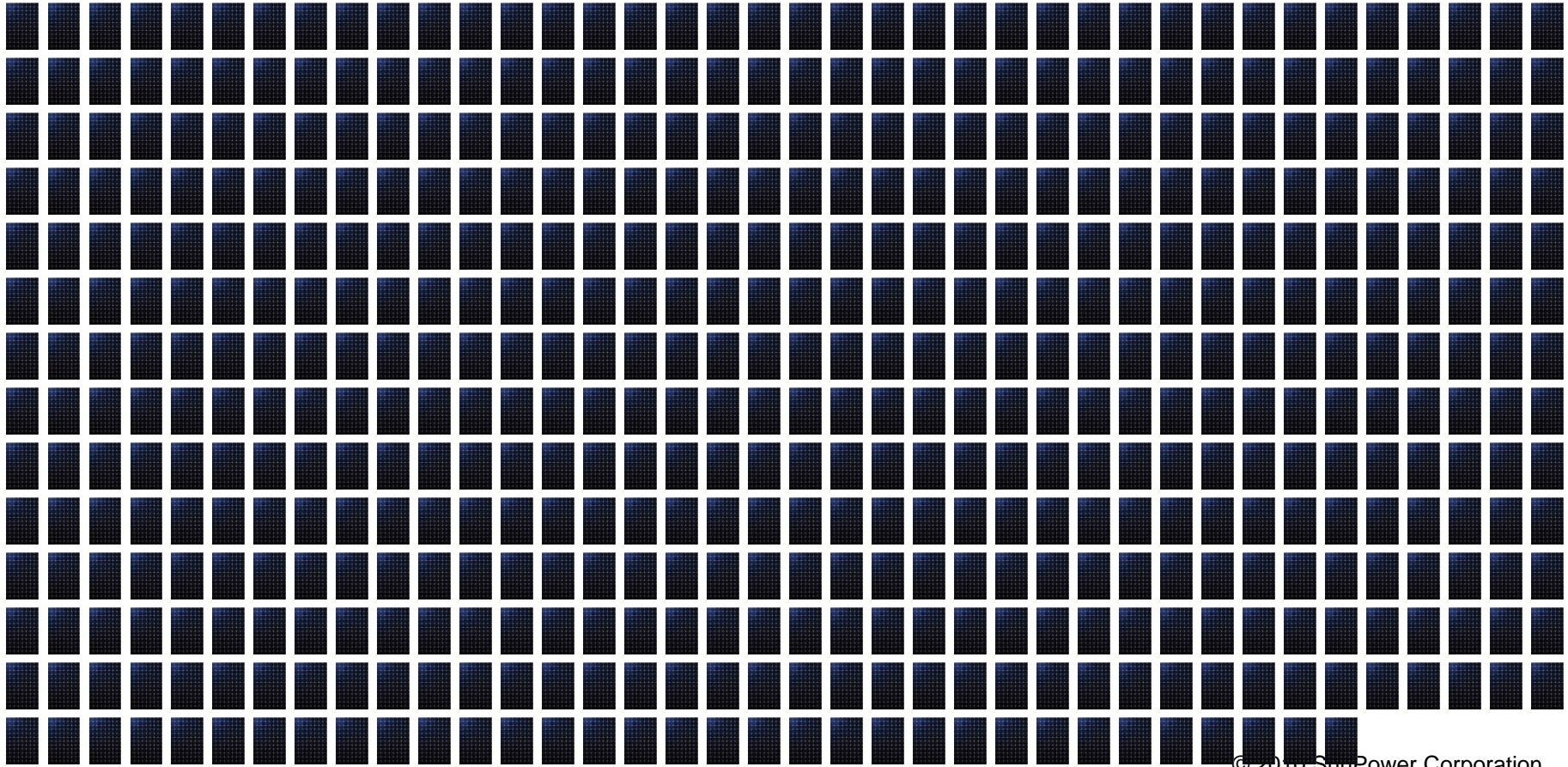
Growth Opportunity

- In 2010, the U.S. has 10 solar equipment manufacturers....



Growth Opportunity

-China has 527

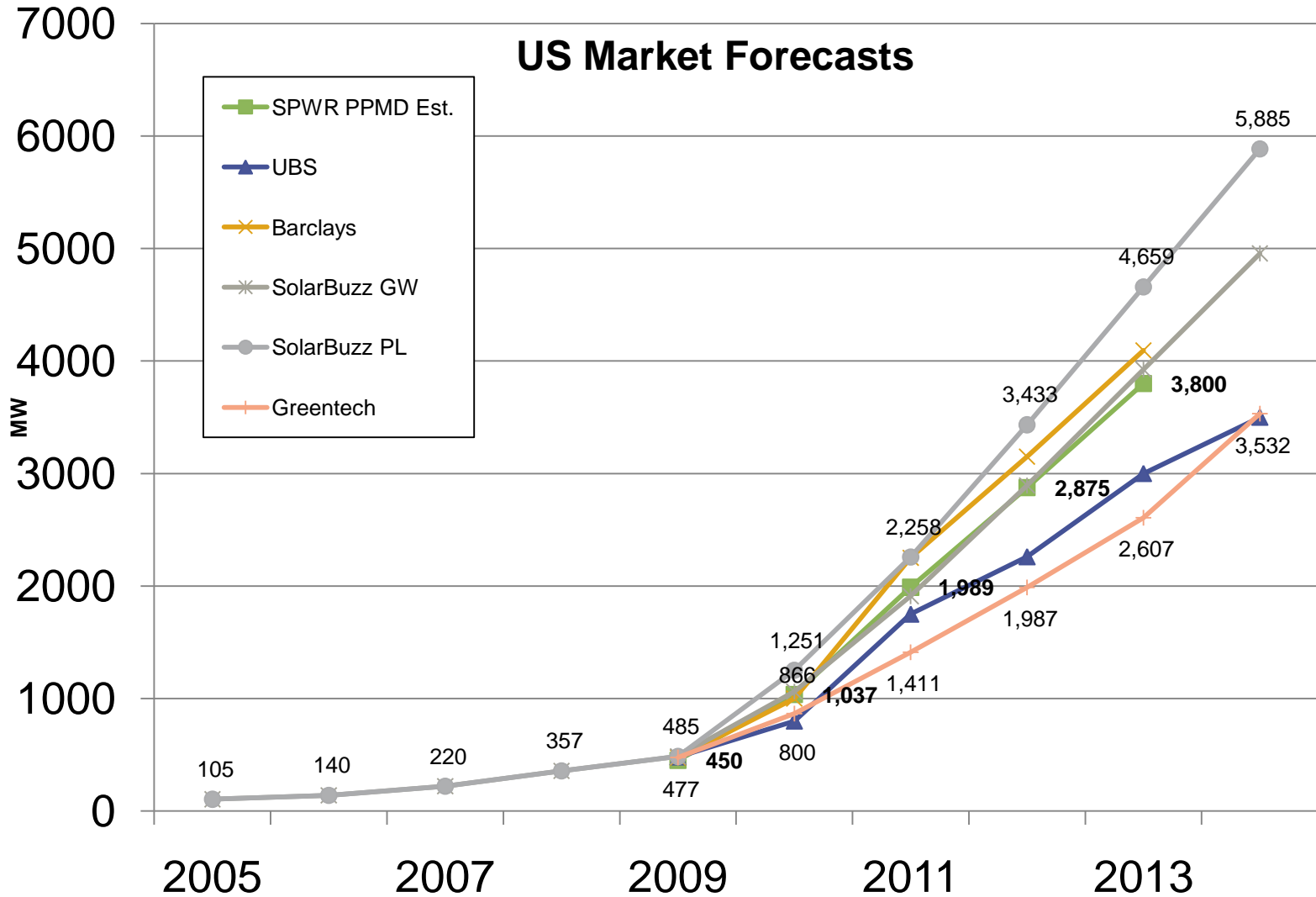


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Federal PV Market Potential

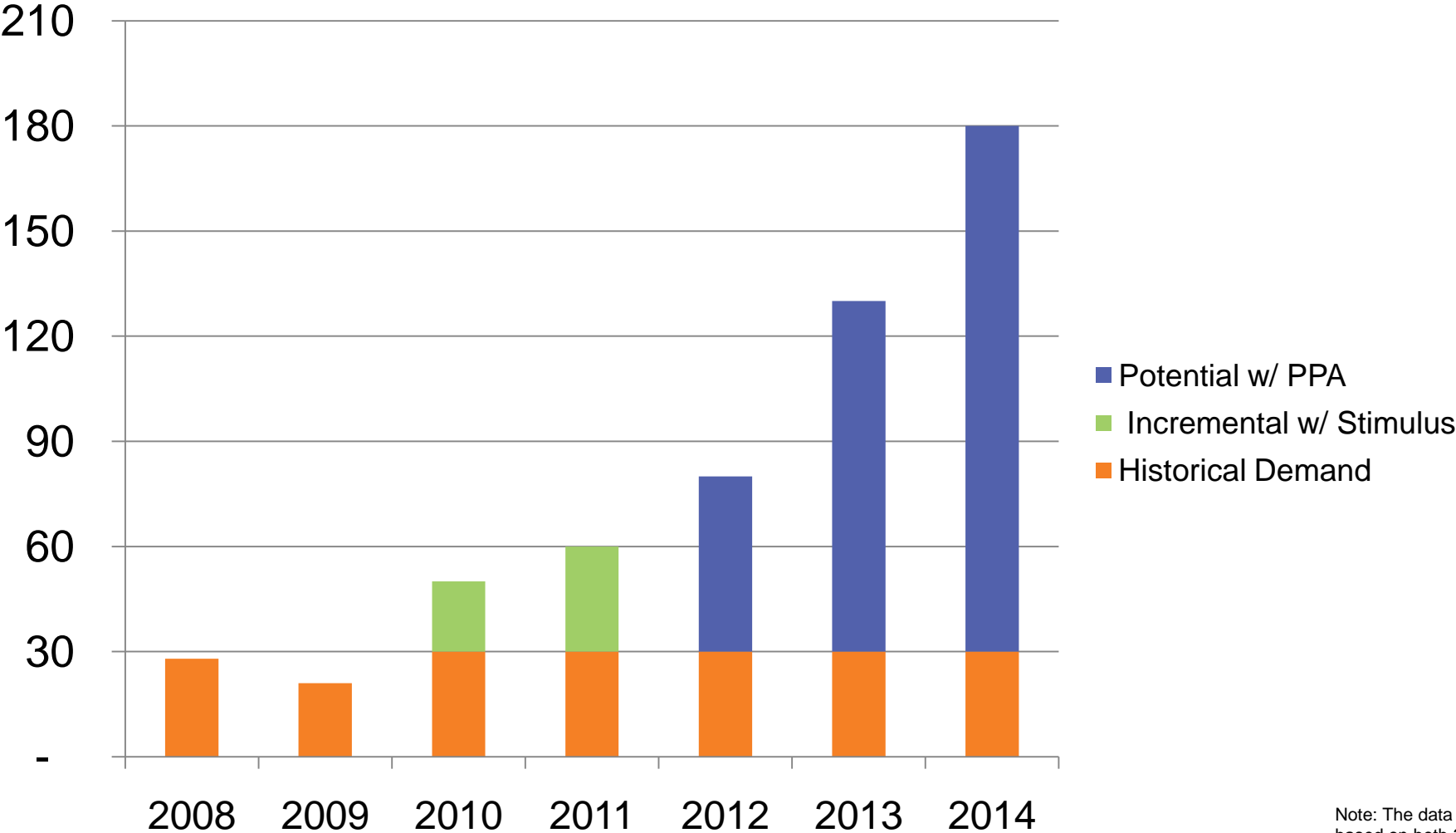
- Total Physical Potential 5 - 10 GW
 - DoD controls 30 Million Acres of Land
 - Federal Government owns 1.5 Billion gross sq/ft of buildings
- Today Potential 1 GW
 - Assumes Current Incentives and Utility Rates
 - Assumes Agencies meet or come close to meeting EPEAT goals
 - Assumes 20 year Contracting Authority

2005 - 2014 US PV Market



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2008 - 2014 Federal Market Projections



Note: The data is based on both 3rd party numbers and SPWR estimates

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Increasing the Momentum

- Property Size Systems
 - Larger Systems Lead to a Higher Return

- Economics
 - Rebates
 - Radiation (Sun)
 - Rates

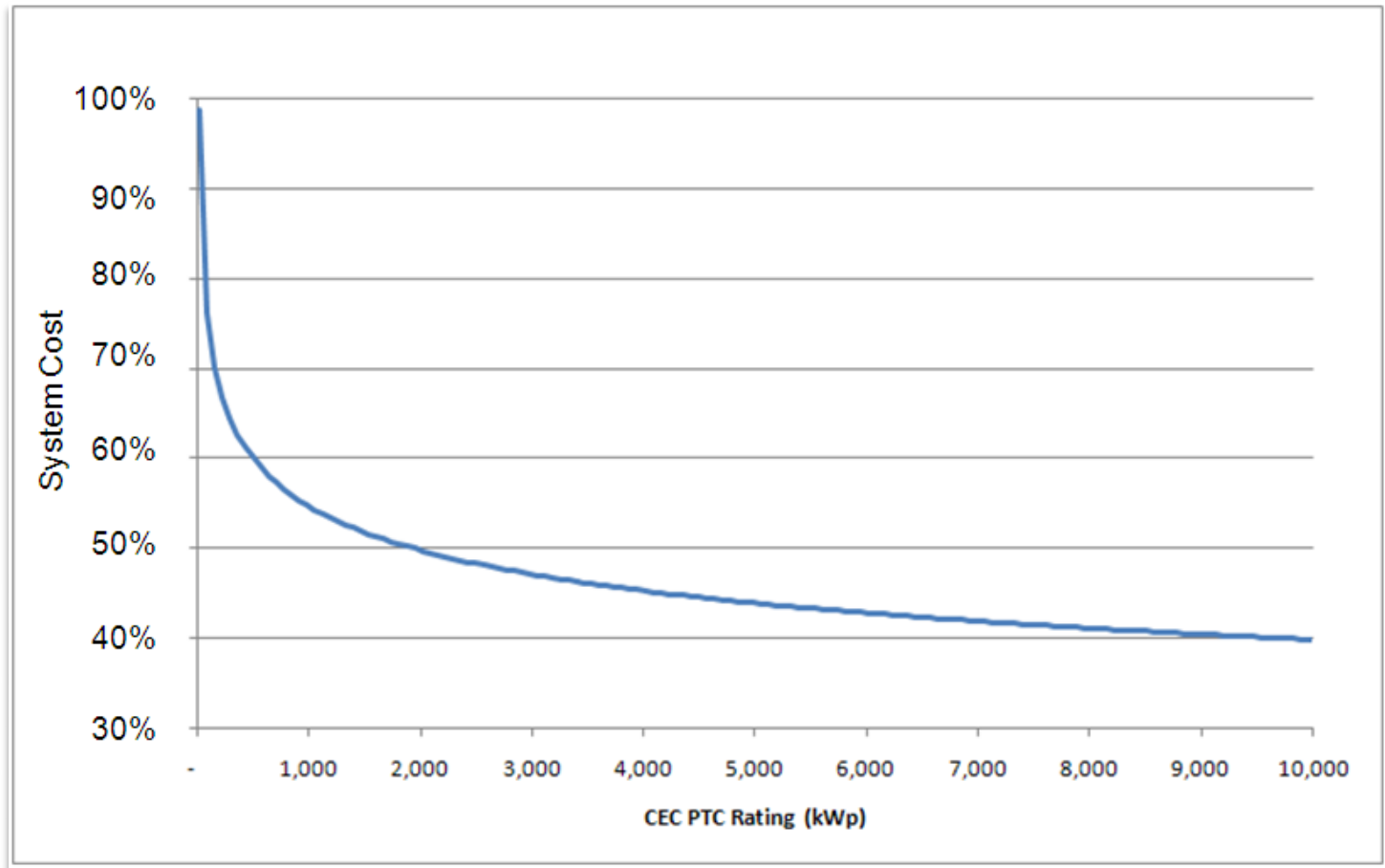
- Champion
 - Internal Solar Champion



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System Sizing

Impact of Scale on Price



Bigger Systems Drive Costs Down and Increase Solar Momentum

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Lost Opportunities



100 kW



1,500 kW

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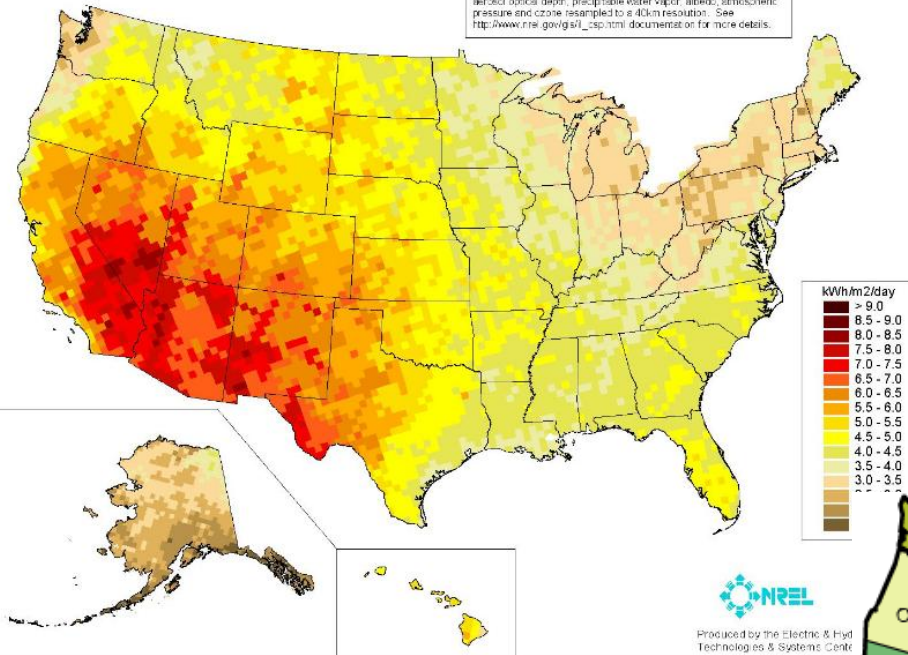
Economics

Economic Factors

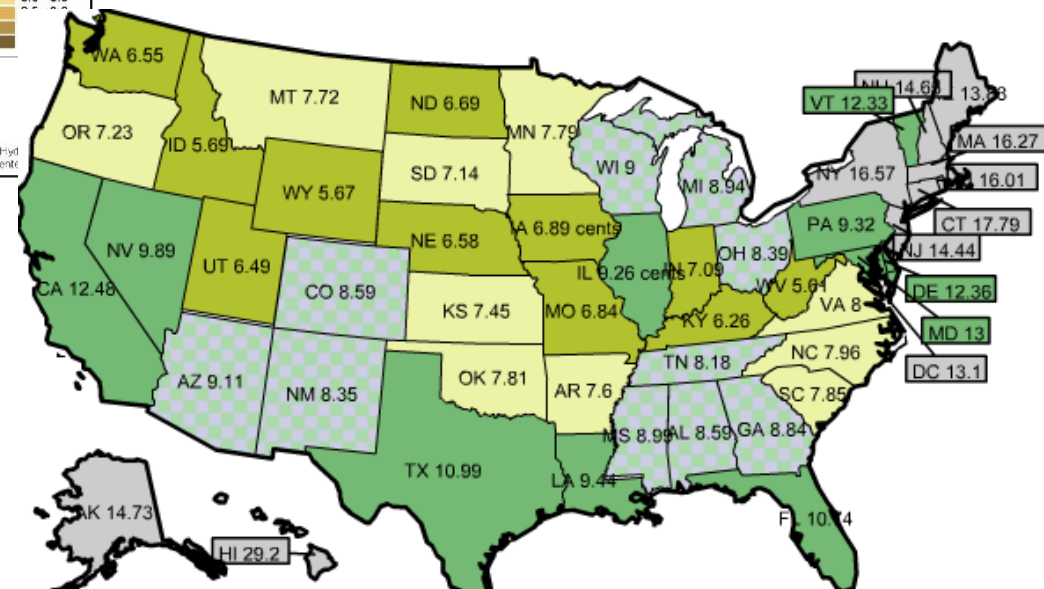
Direct Normal Solar Radiation

Annual

Model estimates of monthly average daily total radiation using inputs derived from satellite and/or surface observations of cloud cover, aerosol optical depth, precipitable water vapor, albedo, atmospheric pressure and ozone resampled to a 40km resolution. See http://www.nrel.gov/gis/s1_2sp.html document for more details.



- High Solar Radiation
- Strongest state incentives
- High Rates
- Favorable Interconnection rules



Solar Champion

- Most agencies do not have a line item in their budget for solar.
- Most agencies do not have a team ready to plan & implement a project.
- Most agencies have not fully recognized all of the benefits of solar



Jim Watson / AFP/Getty Images

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Summary

- Property Size Systems
 - Larger Systems Lead to a Higher Return

- Economics
 - Rebates
 - Radiation (Sun)
 - Rates

- Champion
 - Internal Solar Champion



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Summary

“The days of inexpensive, convenient, abundant energy sources are quickly drawing to a close. We must act now to develop the technology and infrastructure necessary to transition to other energy sources.”

U.S. Army Corps of Engineers

*Army Engineer Research and Development Center
(ERDC)*

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