



CALIFORNIA STATE TREASURER BILL LOCKYER

NEWS RELEASE

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Contact: Joe DeAnda/916.653.2995

Treasurer Lockyer Announces Approval of Sales and Use Tax Exemptions for 12 Green Projects ***Solar, Other Projects Will Provide 4,914 Jobs, \$31 Million in Net Benefits***

SACRAMENTO – State Treasurer Bill Lockyer today announced the approval of sales and use tax exemptions for 12 California green projects that will create 4,914 jobs and generate more than \$31 million in net fiscal and environmental benefits for the State and local governments.

“These tax exemptions will help grow jobs, bolster state and local economies, and spur development of alternative and renewable energy sources,” said Lockyer. “The program helps California attract new green businesses and keep the ones it has. And with our comprehensive benefits test we can ensure the State and local governments realize a net benefit from this investment.”

The tax exemptions on equipment purchases were approved by the California Alternative Energy and Advanced Transportation Financing Authority (CAEATFA), chaired by Lockyer as state treasurer. CAEATFA administers the exemption program created by SB 71, which was signed into law on March 24, 2010. Regulations for the program were approved by CAEATFA on October 4. The program was created to promote California-based manufacturing and jobs, and reduce greenhouse gases, pollution and energy consumption.

The projects approved today include seven solar photovoltaic projects, three biogas capture facilities, one fuel-cell project and one landfill gas capture facility. The projects are located in Santa Clara, Alameda, Kern, Merced and Orange Counties. The aggregate tax exemption totals more than \$71.5 million on equipment purchases valued at more than \$785 million. The tax exemption will be provided over a three-year period.

Projects were scored based on three categories of benefits derived directly from the sales tax exemption on manufacturing equipment purchases: fiscal benefits, environmental benefits and additional benefits, which include job creation. Fiscal benefits are measured based on a variety of fiscal and economic indicators, including sales and personal income tax increases, corporate taxes on profits, and increases in employee wages and sales.

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Scores for environmental benefits are based mainly on how much the project will help reduce the use of fossil fuels and increase use of renewable energy sources. Additional benefits are graded by measuring how many new permanent and temporary jobs the projects creates, the extent to which it creates jobs in high unemployment areas, and whether the project generates environmental improvements to the existing manufacturing process.

The projects will provide approximately \$103 million in total benefits -- \$55 million in fiscal benefits and \$48 million in environmental benefits. Subtracting the \$71.5 million value of the tax exemption, the projects will produce a combined net benefit of \$31.5 million. Additionally, the approved projects will create 4,914 jobs, with 471 attributable to the sales tax exemption.

A summary document on today's action can be found here:

<http://treasurer.ca.gov/caeatfa/staff/20101117/4b.pdf> ; detailed staff reports here:

<http://treasurer.ca.gov/caeatfa/staff/20101117/index.asp> (4.B.1-4.B.14).

In addition to the SB 71 program, CAEATFA provides financing for facilities that use new and alternative energy sources and technologies. CAEATFA also finances transportation technologies that conserve energy, reduce air pollution, and promote economic development and jobs. For general information about CAEATFA, visit www.treasurer.ca.gov/caeatfa.

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Attachment A

Agenda Item	Application	Location of Facility	Industry/Use of Proceeds	Qualified Property Amount	STE Amount (Anticipated) ¹	Estimated Environmental Benefit Value	Estimated Fiscal Benefit Value	Estimated Net Benefit Value	Total Jobs	Total Jobs Due To SB 71
4.B.1	Bowerman Power LFG, LLC	Irvine (Orange County)	Landfill Gas Capture & Production	\$ 9,240,000	\$ 840,840	\$ 398,492	\$ 1,008,052	\$ 565,704	30	3
4.B.2	ABEC Bidart Stockdale, LLC	Bakersfield (Kern County)	Biogas Capture & Production	\$ 1,131,584	\$ 102,974	\$ 228,808	\$ 73,809	\$ 199,643	26	3
4.B.3	ABEC Bidart Old River, LLC	Bakersfield, (Kern County)	Biogas Capture & Production	\$ 4,738,000	\$ 431,158	\$ 3,080,806	\$ 438,844	\$ 3,088,491	50	6
4.B.4	First Solar, Inc.	Santa Clara (Santa Clara County)	Solar Photovoltaic Manufacturing	\$ 37,700,000	\$ 3,430,700	\$ 1,668,971	\$ 1,971,559	\$ 209,831	174	17
4.B.5	Solyndra Fab 2 LLC	Fremont (Alameda County)	Solar Photovoltaic Manufacturing	\$ 381,776,000	\$ 34,741,616	\$ 22,202,363	\$ 20,765,274	\$ 8,226,021	2,084	225
4.B.6	The Solaria Corporation	Fremont (Alameda County)	Solar Photovoltaic Manufacturing	\$ 7,800,000	\$ 709,800	\$ 834,403	\$ 1,564,665	\$ 1,689,268	180	17
4.B.8	Nanosolar Inc.	San Jose (Santa Clara County)	Solar Photovoltaic Manufacturing	\$ 140,187,900	\$ 12,757,099	\$ 10,527,415	\$ 6,992,728	\$ 4,763,045	410	36
4.B.9	Stion Corporation	San Jose (Santa Clara County)	Solar Photovoltaic Manufacturing	\$ 105,473,402	\$ 9,598,080	\$ 3,512,324	\$ 6,207,404	\$ 121,648	493	47
4.B.11	NuvoSun Incorporated	Milpitas (Santa Clara County)	Solar Photovoltaic Manufacturing	\$ 20,000,000	\$ 1,820,000	\$ 2,137,232	\$ 2,594,509	\$ 2,911,741	160	18
4.B.12	Calisolar Inc.	Sunnyvale (Santa Clara County)	Solar Photovoltaic Manufacturing	\$ 39,000,000	\$ 3,549,000	\$ 1,971,609	\$ 1,975,797	\$ 398,407	273	13
4.B.13	Bloom Energy Corporation	Sunnyvale (Santa Clara County)	Solid Oxide Fuel Cell Systems Manufacturing	\$ 37,447,693	\$ 3,407,740	\$ 562,054	\$ 11,144,189	\$ 8,298,503	1,004	83
4.B.14	Gallo Cattle Company	Atwater (Merced Atwater)	Biogas Capture & production	\$ 1,245,000	\$ 113,295	\$ 791,959	\$ 130,374	\$ 809,038	30	3
			Total:	<u>\$ 785,739,579</u>	<u>\$ 71,502,302</u>	<u>\$ 47,916,436</u>	<u>\$ 54,867,204</u>	<u>\$ 31,281,340</u>	<u>4914</u>	<u>471</u>