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Valley clean-tech gets \$260M jolt

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Hundreds, perhaps thousands, of new clean-tech jobs should be created in the Silicon Valley in the wake of the Obama administration's award of \$2.3 billion in tax credits for manufacturing projects that both stimulate economic recovery and help curb greenhouse gas emissions.

With the valley's jobless rate close to 12 percent, the announcement late Friday represents a jolt of financial adrenaline for the region and several specific companies. Valley firms were awarded \$260 million in tax credits, or about 11 percent of the overall total.

MiaSole, a Santa Clara-based maker of solar photovoltaic cells based on thin-film technology, received among the nation's largest credits, totalling \$101.7 million in two chunks. Other valley firms awarded sizeable credits for local projects included CaliSolar, Nanosolar, Stion and SunPower.

MiaSole is expected to further ramp up its manufacturing facility in Santa Clara, which in 2009 doubled its workforce from 150 to 300 employees. The company offered few details Monday.

Nanosolar, which boasts of manufacturing "the world's most inexpensive solar panels," will be able to add 200 jobs in the expansion of its San Jose production facility as a result of its \$43.4 million in

awarded credits, said Brian Sager, the company's founder and vice president. The credits would also contribute to creation of potentially "thousands" of job downstream related to the sale, installation and maintenance of Nanosolar's utility-grade solar panels.

"It's never easy to build a factory. It certainly required a lot of capital and time. This accelerates both," Sager said of the clean-tech stimulus program. The tax credits "catalyze our production, which will immediately lead to more job creation — and those are jobs that cannot be outsourced."

The Obama administration said the program, called the Recovery Act Advanced Energy Manufacturing Tax Credits, would create "tens of thousands of high quality" jobs. The credits were awarded to a total of 183 clean-tech manufacturing facilities in 43 states. The tax credit, which applies to investments in manufacturing projects, can be used as a conventional credit on a company's taxes or be converted through financial markets into cash.

Sager, who authored Nanosolar's application for the program, said the Department of Energy required detailed information about job creation. "It was a very competitive process," he added.

"This is exactly the type of investment that can put people back to work and kick-start our economy," said San Jose Mayor Chuck Reed, who has been an enthusiastic proponent of clean tech jobs for his city.

Bay Area firms with manufacturing facilities outside the region that received awards included CalStar Products, Serious Materials, Solaicx, Rioglass Solar and Nordic Windpower.

"These funds are very important for a company like

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ours," said John Sedgwick, co-founder and vice president of Solaicx. The Santa Clara-based company was awarded \$18.2 million in credits for the expansion of its photovoltaic wafer fab in Portland. The tax credits could help create some front-office jobs in Santa Clara, Sedgwick said, "but the majority of the job ratio will be up in Oregon."

The tax credits, federal officials said, were awarded on a competitive basis, with more than \$8 billion sought by applicants. Projects were judged according to commercial viability, domestic job creation, technological innovation, speed to project completion, and potential for reducing air pollution and greenhouse gas emissions. The tax credits are valid through 2014, but federal authorities said they expect 30 percent to be used in 2010.

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TAX CREDITS FOR CLEAN-TECH

The Obama Administration recently announced the award of \$2.3 billion federal tax credits for clean-tech manufacturing, including several to Silicon Valley companies.

For facilities within Silicon Valley
MiaSole

\$101.7 million

CaliSolar

\$51.5 million

Nanosolar

\$43.4 million

Stion

\$37.5 million

SunPower

\$10.8 million

For facilities outside the region

Solaicx

\$18.2 million

RioglassSolar

\$10.7 million

Nordic Windpower

\$3 million

Serious Materials

\$548,000

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