



SOLAR ENERGY FUNDING OPPORTUNITIES IN THE AMERICAN REINVESTMENT AND RECOVERY ACT

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The Obama Administration recently announced the availability of over \$467 million from the American Reinvestment and Recovery Act (“Recovery Act”) “to expand and accelerate the development, deployment, and use of geothermal and solar energy throughout the United States.” The U.S. Department of Energy (“DOE”) will dedicate \$117.6 million of the Recovery Act funds for the development and commercialization of solar energy technology. These funds will complement ongoing private sector research activities currently funded under the DOE’s Solar Energy Technologies Program (“SETP”) and will establish new national and local solar energy programs of interest to commercial entities.

Photovoltaic Technology Development (\$51.5 million)¹

The DOE’s National Renewable Energy Laboratory (“NREL”) has launched a Photovoltaic Technology Incubator project (“Incubator Project”) to reduce the time required for companies to move from pilot to full-scale manufacturing capability for photovoltaic (“PV”) technologies. It is hoped that companies successfully participating in the Incubator Project can quickly move into commercial production, allowing them to prepare for the next available funding opportunity.

The DOE’s goals are to “substantively accelerate development of U.S.-produced PV systems so that PV-produced electricity reaches parity with the cost of electricity in select grid-tied target markets across the nation” and to “expand the U.S.-installed domestic capacity of PV systems to 5-10 gigawatts.” The Incubator Project will target the residential, commercial, and utility market sectors of grid-tied electric power.

NREL is soliciting Letters of Interest from small U.S. businesses (500 employees or fewer) that can make a “quantitative demonstration of laboratory PV process technology (feedstock, wafers, cells or modules) based on the technology chosen for pilot production.” Among the companies eligible for DOE funding are those that currently do not have a

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“commercial product for grid-tied markets”; those that have received Incubator Project funding in the past; and those that have “a gen2 product that is still in the incubation phase, and is substantially differentiated from their current commercial technology.”

The DOE has \$3 million of funding available for six to ten projects. However, the DOE limits this funding to the development of prototype modules and pilot production; there are no capital equipment funds available under this solicitation.

Solar Energy Deployment (\$40.5 million) ²

The Recovery Act also launches a new Solar Market Transformation funding opportunity to “1) address current market barriers to the adoption of solar technologies; and 2) establish a nationally coordinated effort to spread solar installation training to the local level.” This program focuses on solar energy deployment’s non-technical barriers, such as grid connections, market barriers to solar energy adoption in cities, and the shortage of trained solar energy installers. This funding opportunity addresses these issues as two distinct “topics”:

- Topic 1 - Solar America Cities Special Projects
- Topic 2 - Solar Installer Instructor Training.

Topic 1 - Solar America Cities Special Projects

Topic 1 provides funding to designated cities, such as Boston, that are “committed to developing a comprehensive, systemic, city-wide approach to solar technology that facilitates mainstream adoption and

provides a model for other cities.” The funding will be used “to scale-up innovative programs and concepts so they can be tested in a broader marketplace; thereby, increasing the likelihood of replication in other U.S. cities.” The DOE expects to give five to twenty awards of \$100,000 to \$2,000,000 each to develop projects that support their city-wide solar implementation plans and the abovementioned nationwide goals.

Eligibility for funding under Topic 1 is restricted to 25 Solar America Cities ³ that the DOE awarded under the FY07 and FY08 Solar City Strategic Partnerships Funding Opportunity Announcement (DE-PS36-07GO97007 and DE-PS36-08GO98003). However, Topic 1 is intended to support discrete projects that can be replicated at some level in other cities, states, and countries. Thus, the development of urban solar energy projects may provide private entities with business opportunities beyond just these 25 cities.

Topic 2 - Solar Installer Instructor Training

Topic 2 addresses “the workforce development needs of the solar industry, both for grid-tied PV systems in residential, commercial, and utility markets” and for solar heating and cooling (SHC) systems. The goal of the program is to improve the quality and availability of training for the installation of PV and SHC systems. Topic 2 funds two categories of applicants.

In the first category, the DOE expects to give six to ten awards of \$2 million to \$3.5 million to regional resource and training providers. These providers will

offer “training and professional development to instructors who are creating or improving existing training courses for their local PV or SHC installation workforce.”

In the second category, the DOE will provide one award of \$2.5 million to \$6 million to coordinate activities with the regional resource and training providers and to create and manage the operations of the National Consortium for Solar Installer Instructor Training – a collaboration of solar training experts and stakeholders to improve training nationwide in solar installation. Both categories of Topic 2 are open to all domestic entities.

Foundational PV and Concentrating Solar Power R&D (\$25.6 million)⁴

Funding from the Recovery Act is also available for research towards the development of next-generation PV and concentrating solar power technologies, which use lenses or mirrors and tracking systems to focus large areas of sunlight into concentrated beams that serve as heat sources in power generation. This funding opportunity supports new research and development projects in five areas:

- Next Generation PV Technologies (Maximum: \$1 million per award)
- PV Supply Chain and Crosscutting Technologies (Maximum: \$1 million per award)
- Advanced Heat Transfer Fluids and Novel Thermal Energy Storage for Concentrating Solar Power (Maximum: \$1 million per award)
- Advanced CSP Concepts, Testing and Evaluation (Maximum: \$4.5 million per award)

- Advanced Photovoltaics Manufacturing Capability (Maximum: \$2 million per award)

Eligibility is restricted to the DOE National Laboratories or DOE National Laboratory-led Consortia. However, solar businesses may indirectly benefit from these awards through subcontracts and other partnerships with these National Laboratories.



New York

Seven Times Square
New York, NY 10036
+1.212.209.4800
+1.212.209.4801 [fax]

Boston

One Financial Center
Boston, MA 02111
+1.617.856.8200
+1.617.856.8201 [fax]

Washington, DC

601 Thirteenth Street NW,
Suite 600
Washington, DC 20005
+1.202.347.2222
+1.202.347.4242 [fax]

Hartford

City Place I
185 Asylum Street
Hartford, CT 06103
+1.860.509.6500
+1.860.509.6501 [fax]

Providence

121 South Main Street
Providence, RI 02903
+1.401.276.2600
+1.401.276.2601 [fax]

London

8 Clifford Street
London, W1S 2LQ
United Kingdom
+44.20.7851.6000
+44.20.7851.6100 [fax]

Dublin

Alexandra House
The Sweepstakes
Ballsbridge, Dublin 4
Ireland
+353.1.664.1738
+353.1.664.1838 [fax]

www.brownrudnick.com

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- 1** NATIONAL RENEWABLE ENERGY LABORATORY SOLICITATION FOR LETTERS OF INTEREST (LOI) No. RAT-9-99013 (2009). http://www.nrel.gov/business_opportunities/pdfs/99013_loi.pdf.
- 2** <https://www.fedconnect.net/Fedconnect/default.aspx> (follow “Search Public Opportunities” hyperlink; select “Reference Number” under “Search Criteria”; then search for “DE-FOA-0000078”; follow “Recovery Act: Solar Market Transformation” hyperlink).
- 3** Ann Arbor, Austin, Berkeley, Boston, Denver, Houston, Knoxville, Madison, Milwaukee, Minneapolis - St. Paul, New Orleans, New York, Orlando, Philadelphia, Pittsburgh, Portland, Sacramento, Salt Lake City, San Antonio, San Diego, San Francisco, San Jose, Santa Rosa, Seattle, and Tucson.
- 4** <https://www.fedconnect.net/Fedconnect/default.aspx> (follow “Search Public Opportunities” hyperlink; select “Reference Number” under “Search Criteria”; then search for “DE-FOA-0000087”; follow “Recovery Act: National Laboratory Call” hyperlink).

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For further information, please contact:

Paul G. Afonso
+1.617.856.8430
pafonso@brownrudnick.com

Kevin P. Joyce
+1.617.856.8342
kjoyce@brownrudnick.com

Howard L. Siegel
+1.860.509.6519
hsiegel@brownrudnick.com

John W. Wadsworth
+1.617.856.8596
jwadsworth@brownrudnick.com

Sasha S. Rao contributed to this Alert.

