

# **President Obama Announces \$1.45 Billion Conditional Commitment Offer for Abengoa Solar Inc.**

## **Project expected to create 1,600 jobs during construction and power 70,000 homes in Arizona**

Washington D.C. --- In his weekly video address, President Obama announced today the offer of a conditional commitment to Abengoa Solar Inc. for a \$1.45 billion loan guarantee to finance the construction and start-up of a concentrating solar power generating facility. The Solana, Arizona plant will add 250 megawatts (MW) of capacity to the electrical grid using parabolic trough solar collectors and an innovative six-hour thermal energy storage system-the first of its kind in the country.

"After years of watching companies build things and create jobs overseas, it's good news that we've attracted a company to our shores to build a plant and create jobs right here in America," said President Obama.

"Supporting this type of innovative renewable energy project is part of our commitment to creating a clean energy future while significantly reducing green house gases," said Energy Secretary Chu. "This project will create jobs while helping to position the United States as a global leader in the development and use of clean energy."

Once operational, the Solana project will supply clean electric power to approximately 70,000 homes, reducing overall CO2 emissions by 475,000 tons. Electricity from the project will be sold through a long-term power purchase agreement with Arizona Public Service Company. Abengoa Solar estimates that the Solana project will employ approximately 1,600 workers during the construction phase of the project and create over 80 skilled permanent jobs for the plant's operation.

Over 70 percent of the components and products used for Solana will be made in the United States. Two assembly factories will be constructed on the Solana site, and as a result of Solana's large need for mirrors (over 900,000), a new mirror manufacturing facility will be sited just outside of the Phoenix area, contributing additional direct investment and adding more jobs to Arizona's economy.

Solana will employ solar trough technology using parabolic shaped glass mirrors that direct sunlight onto receiver tubes that heat the fluid inside to over 700 degrees Fahrenheit. The heat is then used to turn steam turbines. The project also includes a thermal energy storage system that will allow Solana to produce electricity after the sun has set.

Including today's announcement, the Department of Energy has issued conditional commitments for loan guarantees to support twelve clean energy projects. The Solana project will bring the total amount of concentrating solar power (CSP) supported by the Department to nearly 650 MW. Watch the President's [weekly video address](#). For more information, please visit the [Loan Guarantee Program website](#).