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AMONIX

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Sacramento, CA 95814-5512

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Reference: Docket Numbers 09-IEP-1G and 03-RPS-1078 entitled "Joint IEPR and Renewables Committee Workshop 'Exploring Feed-in Tariffs for Renewable Energy Projects over 20 MW'"

Thank you for organizing this workshop and requesting public input. Based on our experience and interests Amonix has three comments: 1) Amonix recommends a feed-in-tariff (FIT) with different categories that would permit one for emerging technologies that can lower the cost of renewable energy. California is recognized as a world leader in technology development; a California FIT policy should reflect and support that image by creating a FIT category for emerging technologies. 2) Create a California FIT that is simple, clear and mitigates risk. Recently announced FIT pricing elsewhere in the US starts at $0.30/kWh for 20 years. An effective FIT policy would eliminate financial uncertainty, especially for small companies with emerging technologies that have to compete for large projects against major renewable energy companies having large balance sheets. 3) Just do it! The CEC has studied FIT policy for several years. CEC can demonstrate its renewable energy policy leadership by creating a clear and effective FIT policy that supports emerging renewable energy technologies.

Amonix has experience directly relevant to the CEC deliberations on FIT policy. Amonix was given the opportunity to briefly describe its experience through the webex link at the end of the workshop. Amonix makes high concentration photovoltaic (HCPV) systems for large utility-scale projects, not for rooftops. Each generator, about 50 feet by 70 feet, tracks the sun and produces 53 kW of electrical power. The lack of good FIT policy in the US, as well as economic uncertainties, has hampered Amonix from replicating the results of a joint venture partnership in Spain. A Spanish partner licensed our earlier HCPV system and, in 2006, built a manufacturing facility in Bilbao, Spain. That facility made over 12 MW of systems in 2007 and 2008 that were sold because Spain's FIT reduced financial risk.

Amonix learned another important lesson about Spain's FIT policy as it applies to newly emerging photovoltaic technologies. Even though 12 MW of Amonix technology makes up 70% of the world's HCPV installations, Amonix competes with the world's conventional flat panel PV companies that installed almost 6,000 MW in 2008. Spain had no category for emerging PV technologies that can eventually generate lower cost solar electricity. It is imperative that California FIT policy contain such a category for emerging solar technologies, such as HCPV, to demonstrate they can compete with or beat the cost of energy generated by conventional solar technologies.

Amonix is a small company created in 1989 in Torrance, CA. In 2007, the US DOE awarded Amonix with funding for our manufacturing facility in Seal Beach, CA, having a 25 MW/year production rate at the end of 2009. Amonix is recognized as the world's leader in the development of HCPV systems. Our latest product, the Amonix 7700 (see www.amonix.com) is a system using multijunction solar cells with efficiencies approaching 40% conversion of sunlight into electricity. DOE analyses of Levelized Cost of Energy (LCOE) for the Amonix 7700 support our claim that it will be cost effective in the solar utility market by 2013. However, Amonix cannot achieve early penetration of that market unless financial uncertainties for project developers and investors are resolved. An effective and fair FIT policy would resolve financial uncertainties, provide an on-ramp for emerging solar technologies, demonstrate a strong solar commitment and enable the large-scale deployment of solar power plants in California.

Someday, May 28, 2009 may be recognized as the tipping point for US feed-in-tariff (FIT) policy. It was the day that Vermont became the first state to implement a robust feed-in tariff policy. It was the day the CEC workshop on FIT policy hosted John Crider from Gainesville Regional Utilities. John described how a small municipal utility recently developed and implemented a good FIT policy by taking the best and avoiding the worst of FIT policy experiences in Germany, Spain and elsewhere. As Paul Gipe, well-known in the US wind energy industry, blogged on May 29 (www.grist.org): "It may be small states, such as Vermont, and municipalities, such as Gainesville, Florida, that could drive new renewable energy policy in the US and not the big states of California or Florida that are hopelessly embroiled in partisan stalemates. Unlike the policy in Washington State and in the crude feed-in tariff in California, Vermont's legislation bases the tariffs on the cost of generation plus a reasonable profit. Costs of the program in Vermont are borne by ratepayers, not taxpayers as in the Washington State system." With prompt action on a fair and effective FIT policy, California can regain the lead in implementing new renewable energy policy.

Sincerely,

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