Solar Weekly Highlights

Welcome to the 05-04-2011 edition of Solar Weekly Highlights, presenting the most important developments in the global solar industry, ranging from significant industry trends, policies, research, and new technologies to markets and pricing.

This week our main focus is on solar industry mergers and Asian markets. This includes a special contribution on the Indian Solar market and the country's "Jawaharlal Nehru National Solar Mission" which will be subject of a crucial session at this year's Intersolar Europe conference.

A week of big mergers

From Oil to Sun: Total to acquire two PV companies

This last week saw three major mergers and acquisitions involving the PV industry, as French oil giant Total announced to acquire a controlling interest in U.S. based PV producer and systems integrator SunPower for USD 2.3 billion. More

Furthermore Total will acquire EDF's 50 % stake in Total's and EDF' joint venture Tenesol in order to completely own the French module producer. More

Total is not the first oil company to make a major investment in solar technologies, but the only one that will own two PV producers. Picture left: Tenesol's PV production facility in Toulouse

Also, the U.S. utilities Exelon and Constellation Energy merged. More

Asian markets on the rise

This week saw several interesting developments pointing towards a view of Asia not only as the center of PV manufacturing, but as an area of important markets as well.

The SEMI PV Group and China Photovoltaic Industry Alliance have put out a report stating that China needs more aggressive goals and effective policies for PV generation. More

As Malaysia approved a series of feed-in tariffs, including FITs for PV generation. More

And Yingli Green Energy established regional headquarters for Southeast Asia in Singapore. More

Intersolar Europe Conference: Solar power to secure the future energy supply for India

In early 2010, the Indian government announced its ambitious National Solar Mission aiming for an installed capacity of 20 GW by 2022. With this plan to significantly boost solar power in India, the Indian government has placed the south Asian country firmly on the centre stage in the international solar industry. Industry experts are even anticipating double digit growth rates. Thus solar companies from all corners of the world are setting up shop in this very promising new market.

A plan for the sun: 22 gigawatts by 2022

A wave of deals was triggered by India's Prime Minister Manmohan Singh's announcement in June 2008, of the founding of the Jawaharlal Nehru National Solar Mission – named after the country's first Prime Minister. Since then, the international solar industry has increasingly set its sights on the country, especially after Singh formally launched the National Action Plan on Climate Change on January 11, 2010.

Singh wants to increase installed solar output to two gigawatts by 2013, ten gigawatts by 2017, and 22 gigawatts by 2022. According to the plan, solar power plants – both photovoltaic and solar thermal – will contribute the most to meeting these targets.

Off-grid solar installations are to provide a total output of two gigawatts in eleven years' time, while the number of solar-powered lights is set to rise to 20 million.

India's Prime Minister, Manmohan Singh. Courtesy: Wikipedia; Agência Brasil

Direct subsidies and soft loans

To achieve these targets, the government will obligate utilities to procure at least 0.25% of their power from solar sources within two years, increasing to 3% by 2022. A fixed feed-in tariff aims at increasing the amount of solar power being fed into the grid. Using direct subsidies and soft loans, the government will support the installation of small-scale solar home systems (with a maximum output of one kilowatt), and remote village electrification (with a maximum output of 250 kilowatts).

Solar Mission promises huge growth for photovoltaics, CSP; Feed-in tariffs approx. €0.29 for PV and around €0.24 for concentrating solar plants

Thanks to the National Plan, industry experts anticipate a boom in photovoltaics in India, with Bank Sarasin estimating a 76% annual growth rate. Furthermore, there is a good chance that these figures will be achieved. Last year, the Central Electricity Regulatory Commission, CERC, set feed-in tariffs to around €0.29 for power from solar installations and around €0.24 for electricity generated by concentrating solar plants – as had been announced by the National Solar Mission.

Specific rules for approval and power purchase

Unlike in Europe, however, not all suppliers receive the statutory tariff: solar project developers have to apply for it. Also unlike in Europe, utilities are not required to purchase the renewable energy fed into the grid. Instead, the government has designated the energy trading company, NTPC Vidyut Vyapar Nigam Ltd. (NVVN), to procure solar power at the set tariff, and then bundle it with conventional power to sell to the state-owned utilities, thus easing their financial burden. The approved

project developers have now got until the end of 2013 to connect their power plants to the grid to receive the tariff. Only then will we see how well the plan works.

India's Union Minister for New and Renewable Energy, Dr. Farooq Abdullah, announced incentives to reduce the cost of solar power.

Dr. Abdullah explained that the "Jawaharlal Nehru National Solar Mission" envisages major participation of the private sector by setting up grid connected solar power projects on a "Build Own and Operate" basis.

Right: Farooq Abdullah. Courtesy: Ministry of New and Renewable Energy, India

http://www.solarserver.de/uploads/pics/farooq_abdullah.jpg

Intersolar Europe Conference on perspectives and development of the Indian solar market

During the Intersolar Europe Conference session on June 8th, 2011 speakers will analyze different perspectives of the current stage of industrial development and its possible future development.

Discussions also focus on the experience gained by project developers and the involvement of financial institutions.

Further information: www.intersolar.de

Thanks for your interest in the Solar Weekly Highlights. Stay posted for next week's industry highlights.

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Best Regards; Rolf Hug, Editor in Chief

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