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## Recent Renewable Energy and Clean Technology Developments

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The recent passage of the American Recovery and Reinvestment Act (ARRA), together with existing legislation such as the 2008 Farm Bill, the Energy Independence and Security Act of 2007, and the Energy Policy Act of 2005, has created unprecedented opportunities for renewable energy and clean technology companies to obtain funding from the federal government for a wide variety of energy and environmental projects. Below is a summary of significant recent developments related to these funding opportunities and associated policies.

### **DOE OFFERS \$535 MILLION LOAN GUARANTEE TO SOLYNDRA, INC.**

DOE offered its first loan guarantee to Solyndra, Inc. last week to develop a commercial scale photovoltaic cell manufacturing facility. The project is expected to create thousands of jobs, and allow Solyndra to increase output and deploy its technology on a commercial scale.

Despite the billions in funds appropriated to the program originally by the Energy Policy Act of 2005, the loan guarantee program had yet to offer a single loan guarantee until the announcement last week. Secretary Steven Chu has indicated that streamlining the application review process and addressing the large backlog of applications is an agency priority, and that DOE intends to move forward quickly to offer additional guarantees in the coming weeks. An additional \$6 billion has been allocated from stimulus package funds for clean energy and transmission guarantees under the program.

For details, click [here](#).

### **OBAMA MEMO RESTRICTS LOBBYING EFFORTS FOR STIMULUS FUNDS**

President Obama issued a memorandum last week that will restrict the role of registered lobbyists in the implementation and distribution of funds under the ARRA. The rules bar lobbyists from discussing specific stimulus projects with agency officials, though general policy discussions are still permissible. A lobbyist wishing to communicate with an agency about a specific stimulus

project must submit the communication to the agency in writing. The statement will then be posted on the internet by the agency within three days of receipt.

Administration officials have called the measure a "historic breakthrough in ending closed-door lobbyist deal making in favor of promoting the public interest through sunlight." The restriction, which has prompted an outcry of opposition from the lobbying community, may boost the involvement of non-lobbyist lawyers in the certain parts of the funding process, provided that their involvement is not restricted by the new rule.

For details, click [here](#).

## **FERC ISSUES SMART GRID POLICY STATEMENT**

On March 26, the Federal Energy Regulatory Commission (FERC) published a proposed policy statement and action plan for the overhaul of the nation's transmission system into a "smart grid." This transmission system overhaul will utilize digital technologies to enable real-time coordination of supply and demand side resources, improving system efficiency and access to information.

The plan provides guidance and standards for four major elements of smart grid development: 1) cyber security; 2) inter-system communications; 3) wide-area situational awareness; and 4) coordination of bulk power systems with new and emerging technologies.

Comments on the proposed policy are due May 11, 2009.

Also on March 26, members of the Smart Grid Collaborative, a group jointly sponsored by the National Association of Regulatory Utility Commissioners (NARUC) and FERC, released a list of criteria for DOE to consider when providing grants and other funds for smart grid projects under the ARRA. The collaborative proposed eight categories of criteria which address issues related to grant and technological preconditions, rate designs, regulatory issues and data/information requirements. Security concerns and response mechanisms are also addressed.

For details on the proposed policy and criteria, click [here](#) and [here](#).

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WilmerHale's Energy and Clean Technology practice group has extensive experience in the areas of public policy, government contracting, project finance and development, and energy regulation. We are uniquely positioned to expertly advise renewable energy and clean technology companies on the complex issues and opportunities that arise in connection with these federal funding opportunities, and to assist companies in both obtaining government funding and successfully developing their projects.

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