

Solon, Suntech Shift Designs to Compete for U.S. Utility Sales

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By Christopher Martin

Oct. 29 (Bloomberg) -- China's **Suntech Power Holdings Co.** and Germany's **Solon SE** are betting they can win a portion of the utility-scale power plants in the U.S. dominated by **First Solar Inc.** and **SunPower Corp.**

Suntech, the world's largest maker of polysilicon solar- power modules, will begin producing prewired panels to help cut costs of large-scale projects by 25 percent. Solon, the largest manufacturer in the U.S., this week said its 1-megawatt Velocity panel clusters will streamline large developments.

Larger ground-based systems will make up 60 percent to 80 percent of the 500 megawatts of solar power panels installed in the U.S. next year, said **Ishita Manjrekar, a solar industry analyst at Primary Global Research in San Francisco.** Utilities need the larger plants because residential rooftop systems haven't been built quickly enough to enable utilities to meet state minimums for renewable energy.

"Utility-scale projects will be the lion's share of the U.S. market next year," Manjrekar said in an interview at the Solar Power International conference in Anaheim, California. "Those that got in early have an advantage."

First Solar and SunPower have won the most of the 10- megawatt and higher photovoltaic plants in the U.S. and Canada, including sales to Florida's FPL Group Inc. and PG&E Corp.'s Pacific Gas & Electric Co.

U.S. utilities have ordered more than 1,000 megawatts of solar power plants in the past year and will dwarf the market for residential and commercial rooftop systems next year, said Suntech Chief Strategy Officer **Steven Chan.** Suntech's customers have bid on about 500 megawatts of utility projects, he said.

Transmission Lines

Still, building power plant-sized solar projects means the electricity must be delivered to homes and offices over transmission lines, which may hinder development as it has in the wind power industry.

"Utility-scale projects are getting a lot of attention right now but we've got the advantage because we don't need transmission," said **Mike Hall,** chief executive officer of installation company **Borrego Solar Systems Inc.,** a closely held company based in El Cajon, California. Borrego plans to install 17 megawatts next year, mostly for government buildings and corporate sites, generating \$100 million in revenue.

Suntech rose \$1, or 8.2 percent, to \$13.21 a share at 1:02 p.m. in New York Stock Exchange composite trading. SunPower, based in San Jose, California, rose 16 cents, or 0.6 percent, to \$25.75. Tempe, Arizona-based First Solar fell \$25.11, or 17 percent, to \$126.47 after missing analysts' revenue estimates in its quarterly earnings report yesterday.

To contact the reporter on this story: **Christopher Martin** in New York at **cmartin11@bloomberg.net.**