

EquityStory AG

**DGAP-News : Solar Millennium and Southern California Edison signed power purchase agreements for solar thermal power plants with total capacity of up**

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Solar Millennium AG / Contract

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Erlangen, Germany/ Berkeley, California, June 17, 2009

Solar Millennium, LLC, Berkeley, a wholly-owned subsidiary of Solar Millennium AG, Erlangen (ISIN DE0007218406), signed power purchase agreements with US investor-owned utility Southern California Edison (SCE). The agreements, which are subject to approval of the California Public Utilities Commission, call for the development of two, 242 MW power plants, with the option to expand to include a third 242 MW plant, for a total of 726 MW of solar thermal power, and provide for the purchase of the output by SCE over 20 years. All three parabolic trough solar power projects are expected to begin operation between 2013 and 2014.

'Solar (Kopenhagen: [SOLAR-B.CO](#) - [Nachrichten](#)) is the great untapped resource in California, and we're so pleased to partner with Solar Millennium on these projects to bring even more clean, renewable power to our customers,' said Stuart Hemphill, SCE Vice President, Renewable and Alternative Power.

These utility-scale plants, for which the investment is estimated to be over \$1 billion each, would supply solar power to SCE throughout the day, but in particular, during the afternoon peak hours of electricity demand when the solar irradiation is also at its highest. Each of the utility scale power plants has a solar field nearly three times larger than the Andasol projects developed by Solar Millennium AG in southern Spain.

The signing of these agreements is a milestone for Solar Millennium in the development of these projects. Solar Millennium plans to begin construction of the projects by the of 2010, after regulatory approval and other conditions for construction have been fulfilled. The projects will interconnect to transmission lines close to the site locations near Ridgecrest, Desert Center, and Blythe, California. The transmission lines will need to be further built out to accommodate the expansion of renewable projects in these areas.

In addition to creating approximately 800 construction jobs, each plant will employ nearly 100 permanent operations, maintenance and management employees. Solar

Millennium expects to generate revenues over the next fiscal years throughout the value chain of solar thermal power plants.

'These are excellent sites for solar thermal power projects in California because of the strong and abundant sun,' said Josef Eichhammer, CEO of Solar Millennium, LLC, the Company's development arm in the United States, 'and they are close to large metropolitan areas where there is high energy demand. The annual Direct Normal Irradiation in these areas is almost 2,800 kWh/m<sup>2</sup>, more than 30% higher than in southern Spain. The projects will help California meet its renewable energy goals, while stimulating California's economy at the same time.'

'This is exciting news. The City of Ridgecrest is committed to reducing our carbon footprint with the City's own solar project. The Solar Millennium Project will bring approximately 800 temporary workers to our area and 80 - 100 new jobs in our valley. This project will go a long way in reducing the county and state's carbon footprint and positively help our local economy,' said Mayor Steven P. Morgan, Ridgecrest, California.

While the Spanish government provides a Feed-In Tariff to attract investments in solar power plants, California electricity providers have goals established by California's Renewables Portfolio Standard, which sets particular targets for utilities and other electricity sellers to procure increasing portions of their energy supplies from renewable resources. In addition to existing incentives like the federal Investment Tax Credit, to make renewable projects financially attractive for investors, President Barack Obama introduced further means such as the 30% grant and federal loan guarantees to facilitate financing in these currently difficult economic times.

Christian Belte, CEO of Solar Millennium AG said, 'Solar Millennium has been a pioneer in developing solar thermal power plants in Spain and Egypt. We want to leverage those successes to increase our presence in the US renewable energy market, where we see a great potential for utility-scale solar power projects. Our project pipeline gives us a solid foundation to achieve our growth objectives over the next couple of years.'

The joint venture of Solar Millennium AG and MAN Ferrostaal Inc. will be involved in the construction of the plants. 'With the combined experiences of Solar Millennium and MAN Ferrostaal, we are well-positioned to be a leader in the construction of these projects,' said Uwe T. Schmidt, CEO of MAN Ferrostaal Inc., 'and we will set a benchmark in building solar thermal plants of this size and capacity.'

Mayor Robert Crain, City of Blythe said: 'This is good news. Solar Millennium ([TIBR3.SA](#) - [Nachrichten](#)) will bring significant economic stimulus to Blythe. The project helps Blythe meet its goal of being the Southern California hub for renewable energy development and the leader in moving our state into the new energy economy.'

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## Information and Explanation of the Issuer to this News:

About Solar Millennium: Solar Millennium, LLC, Berkeley, California, is the wholly owned subsidiary of Solar Millennium AG, Erlangen, Germany. Solar Millennium AG is an international company in the renewable energy sector, with its main emphasis on solar-thermal power plants. Together with its subsidiaries, the Company specializes in parabolic trough power plants, a proven and reliable technology with which the Solar Millennium Group has achieved a leading position worldwide. Solar Millennium covers all important business sectors along the value chain for solar-thermal power plants - from project development and technology to turn-key construction as well as plant operation and investments in power plants. In Spain, Solar Millennium developed Europe's first parabolic trough power plants and completed them with its partners. Additional projects are planned around the world with an overall capacity of more than 2,000 megawatts. The current regional focus is on the US, Spain, China and North Africa. Furthermore, the Company has the aim of achieving market readiness for the so-called Blue Tower technology for the generation of product gas that is rich in hydrogen through the reformation of regenerative residual materials, and also for solar chimney power plants in the long run.

About Southern California Edison (SCE): An Edison International (NYSE:EIX) company, Southern California Edison is one of the nation's largest electric utilities, serving a population of nearly 14 million via 4.9 million customer accounts in a 50,000-square-mile service area within Central, Coastal and Southern California.

About solar thermal power plant technology: Solar thermal power plants generate electricity by converting solar radiation into heat energy. In a parabolic trough power plant, trough-shaped mirrors concentrate the incidental radiation onto a pipe in the focal line of the collector. Its absorption heats a fluid heat medium in the pipe, generating steam in the power block through a heat exchanger. As in conventional power plants, the steam powers a turbine to generate electricity. By integrating thermal storage, electricity can be supplied on demand, even after sunset.

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