

Magpower may build solar panels in Pflugerville

Pflugerville site eyed but Austin Energy holds cards

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Pflugerville's ability to snag a solar panel manufacturing plant and about 80 jobs hinges on a decision expected soon from [Austin Energy](#).

The developer of a proposed solar energy farm in Pflugerville said he would team with a Portugal-based solar panel maker looking to build a factory in the North Austin suburb only if Austin Energy buys electricity from the planned farm.

Daven Mehta, CEO of RRE Austin Solar LLC, said his company already has a solar panel supplier for the Pflugerville solar farm. But he would consider a partnership with Portugal-based Magpower S.A. if Mehta's company is awarded a contract to supply electricity to Austin Energy.

In March, Austin Energy received 100 proposals from 35 companies — including RRE Austin — after soliciting bids in February to supply 200 megawatts of solar- and wind-generated electricity to offset the loss of power capacity being supplied under expiring contracts.

The winning bid is scheduled to be selected by midsummer. About 60 percent of the proposals were for wind power agreements, and 40 percent for solar, Austin Energy spokesman **Ed Clark** said.

He also said combination deals such as the Magpower factory are given "some degree" of consideration by the utility when selecting a power provider, but they are more suitable for the local economic development commission.

Mehta said his company plans to build solar farms elsewhere in the U.S., including one in San Antonio. It would team with Magpower on the first one that attracts a buyer for its electricity.

"We would want to begin work here," Mehta said. "We're ready to start construction the moment we get any power purchase."

A Magpower factory would employ about 80 workers, CEO Pedro Caçorino said.

If the deal goes through, it would be the first major clean technology company to operate in Central Texas. It could also beat to the punch [HelioVolt Corp.](#), a local solar panel manufacturer that has yet to reach full-scale production despite more than \$160 million in investment capital.

Caçorino said Pflugerville was being considered as a location for a solar panel factory before RRE Austin Solar announced plans to develop a 700-acre solar farm nearby — potentially the largest in the United States.

In December 2010, RRE Austin Solar broke ground on the \$200 million solar farm in Pflugerville. The 60-megawatt project is projected to create about 350 jobs during the next two to three years.

The panel factory and solar farm could kick-start the city's new alternative energy business park that offers tenants tax breaks. They would also generate attention for Central Texas as a region for clean-tech business, said **Russel Smith**, executive director of the Texas Renewable Energy Industries Association.

"It's going to open some eyes," he said. "They're going to be looking at these companies and saying, 'Hmm, what did they figure out?'"

Caçorino said it took seven years to develop Magpower's technology. Its solar cells use specialized lenses that improve the efficiency of the panels by using three semiconductors capturing each part of the solar spectrum.

"It's what we're calling the third generation of solar," he said.

Magpower hasn't determined how many factories it will eventually operate in the United States, but it only plans on one in Texas, Caçorino said.

In Pflugerville, RRE Austin Solar's agreement with the city mandates the equipment be installed by Jan. 1, 2014, and operations start by Aug. 1, 2014.

The city of Pflugerville agreed not to annex the property in exchange for \$750,000 in solar panels and wind turbines installed on city buildings. The company will also pay the city \$2.5 million during the 30-year contract.

HelioVolt, which operates a 125,000-square-foot manufacturing plant in Southeast Austin, has fallen short of initial job creation projections given to state officials in exchange for a \$1 million grant.

Company officials have blamed the delay on a sluggish demand for solar cells during the global recession. In January, the company sold \$8.5 million of a planned \$10 million in debt securities to 18 investors.

Courtesy of JB Goodwin