

# REPORT TO THE BUYING GROUP ON ACTIVITIES RELATED TO RENEWABLE ENERGY ECONOMIC DEVELOPMENT

25 September 2003

Princeton Development Corporation  
PO Box 1155  
Sausalito California 94965  
tel +1 415 457 1848  
fax +1 415 457 7498

**Table of Contents**

Summary ..... 3

Education and Community Outreach..... 3

    Legislative: ..... 3

    Communications effort:..... 3

    Other Groups: ..... 4

Facilitating other local public jurisdictions joining the Buying Group..... 5

Compiling utility data for Buying Group members ..... 6

Power project proposals: Beginning analysis and inter-company discussions ..... 7

Furthering conversations with manufacturers ..... 7

    Altery Systems ..... 7

    Bently Nevada ..... 8

    BluePoint Energy, Inc..... 8

    Bonus Energy A/S..... 8

    Clipper Windpower, Inc..... 9

    Cygnus Wind..... 9

    DayStar Technologies ..... 10

    Energy Unlimited Inc. .... 10

    Evergreen Solar..... 10

    Fenway Systems..... 11

    Gamesa ..... 11

    GE Wind Energy, LLC..... 12

    Hitco Carbon Composites, Inc..... 12

    NEG Micon ..... 12

    Nordex ..... 13

    North American Biorefinery..... 13

    Northern Power Systems..... 13

    PowerLight..... 14

    Ridge Energy Storage & Grid Services L.P..... 14

    Royal Danish Embassy ..... 15

    Siemens US/ Sylvania Lighting Systems ..... 15

    Suzlon Wind Energy Corp. .... 15

    United Steelworkers of America ..... 16

    Vestas - American Wind Technology, Inc. .... 16

    Wind Turbine Company..... 16

Contact: Eric Thompson, 510-655-6609, erict@princetonenergy.net  
9/21/03

## **SUMMARY**

Since securing the approval for the Alternative Energy Agreement with Carson City on August 21, the project team has launched activities on many fronts to implement the Northern Nevada Renewable Energy Economic Development Project. These include:

- Education and community outreach
- Facilitating other local public jurisdictions joining the Buying Group
- Compiling utility data for Buying Group members
- Power project proposals: Beginning analysis and inter-company discussions
- Furthering conversations with manufacturers

This memo reports to you on the major activities related to the Renewable Energy Economic Development project.

## **EDUCATION AND COMMUNITY OUTREACH**

We have begun work on an extensive education and community outreach effort. This includes:

### ***Legislative:***

We have met with California energy officials to lobby for Nevada renewable energy resources being eligible for export into the California RPS

### ***Communications effort:***

We have begun work on an extensive public relations and communications effort led by HiTech Communications and Jeneane Harter. The objective is to develop "regional project identity" to engage and focus public opinion, orchestrate corporate and business-to-business education and global outreach.

The efforts underway include:

- Develop project look and feel
- Articulate project messages
- Media outreach
  - Editorial boards to provide media with background in energy and economic development
- Press conference planned for late October. Participants to include:

- Nevada state officials
- Carson City
- Project partners
- Buying group
- Design and build a project web site to:
  - Sell the region to manufacturers
  - Create information clearinghouse for policymakers and the public
  - Develop optional pages/links highlighting Buying Group members

### ***Other Groups:***

We have met with several interested parties in the public and private sector to advise them about the program, including:

### **The Northern Area Managers' Roundtable**

#### **NOTES:**

**9/12/03**

Andy Burnham and Linda Ritter attended the Roundtable and presented the program to a group of regional public sector managers (Lyon County Stephen Snyder; City of Sparks Steve Driscoll and Shaun Carey; Regional Transportation Commission Derek Morse, Greg Krause and Bob Russell; Storey County Dean Hayemore; Sun Valley GID Diana Langs; Truckee Meadows Regional Planning Agency Dave Ziegler; Washoe County Manager Katy Singlaub, Washoe County Assistant County Manager John Berkich, Washoe County John Slaughter and Julie Skow. Guests, City of Reno Legislative Affairs Nicole Lamboley; Washoe County Registrar of Voters Dan Burk). Linda and Andy had to leave right after the presentation, but Derek Morse continued the discussion. We are following up with calls to each jurisdiction offering personal presentations and discussions.

### **The Lt. Governor's Office**

Carson City, NV

With Susan Hubert of the Lt. Governor's Office

#### **NOTES:**

**9/24/03**

We met with the Lt. Governor's Office to both educate them on the opportunities of the project and to begin exploring collaboration. The Lt. Governor has been a supporter of renewable energy and economic development and we believe there will be many opportunities for cooperation.

### **EDAWN**

Carson City, NV

With Chuck Alvey, et. al.

**NOTES:**

An informational meeting was held with the Economic Development Authority of Western Nevada. We share many goals in common and will be working together more.

**SPP**

With Grant Sims in the Economic Development Office

**NOTES:**

**9/23/03**

An informational meeting was with Sierra Pacific's to educate them on the project parameters and to find out how their economic development objectives and resources can be joined with the project.

**Nevada Economic Development Conference**

Las Vegas, NV

Sponsored by Nevada Commission on Economic Development

**NOTES:**

**8/21/03**

Because this conference took place the same day that the Carson City Board voted to embark on the Renewable Energy project, there was significant buzz at the conference. Carson City's Joe McCarthy relayed the news to conference participants. Princeton's Eric Thompson was able to talk in the renewable energy session about the Carson City and Buying Group process. This was a good example of the level of enthusiasm among economic development interests for the Carson City initiated program.

**Mining Energy Conference,:**

Elko, NV

**NOTES:**

**8/21/03**

Attended by DOE headquarters and regional offices and State Offices of Energy from Nevada, Arizona, Idaho and New Mexico. There is significant movement in the state mining industry toward more energy self-sufficiency. Princeton team member Jeneane Harter attended this conference to find ways for the Buying Group to help this industry.

**FACILITATING OTHER LOCAL PUBLIC JURISDICTIONS JOINING THE BUYING GROUP**

Princeton has initiated conversations with many local public jurisdictions about joining the Buying Group. At least four entities are in the process of bringing the

decision to their boards. Also, a letter of introduction from Carson City is going out to public jurisdictions not yet in buying group. We have presentations scheduled for additional groups.

A draft Joinder agreement is ready for review by the Buying Group and will be presented at the next Buying Group meeting. Through this mechanism we are studying a "one-size-fits-all" legal opinion on the Joinder Agreement that will ease the transition into the Buying Group for other local public jurisdictions.

Princeton has initiated conversations with two commercial entities about joining the Buying Group as well. Although they would come in on a basis different than the Joinder Agreement specified for public jurisdictions, they would contribute to and participate in the Buying Group on a similar basis.

The various organizations in these deliberations and or attending Buying Group meetings include (but are not limited to):

- Carson City
- Carson City School District
- Carson-Tahoe Hospital
- Churchill County
- Clark County
- Interplex
- Lyon County
- Nevada State Office of Energy
- Nye County
- Town of Pahrump
- Wade Development Company, Inc.
- Washoe County
- Washoe Regional Transportation Commission
- Western Nevada Community College

## **COMPILING UTILITY DATA FOR BUYING GROUP MEMBERS**

Princeton has submitted utility data requests for two Buying Group members. We have been developing a good working relationship and procedures with SPP for obtaining utility data, and we expect results soon. Once the historic consumption data is obtained, it will be compiled into an interactive database and analyzed for cost savings opportunities. It will also be used to guide development of any renewable energy projects.

## **POWER PROJECT PROPOSALS: BEGINNING ANALYSIS AND INTER-COMPANY DISCUSSIONS**

Princeton team members have begun the analysis of Carson City and other Buying Group areas' renewable energy opportunities. Although most conversations are confidential at this point, we will be able to report publicly soon:

- Studied Marlette Lake water system for renewable energy opportunities
- In discussions with ESI/Grower's Energy for development of a wood waste utilization facility at the Carson City landfill
- Studying potential for Compressed Air Energy Storage (CAES) in Nevada.
- Tracking several PUCN dockets for impact on the program
- Studying technical and economic potential for energy efficient street lighting/traffic signal program.

## **FURTHERING CONVERSATIONS WITH MANUFACTURERS**

### ***Altery Systems***

Eric S. Mettler  
President/COO

Gold River, CA  
916-853-0322  
[www.altergysystems.com](http://www.altergysystems.com)

### **NOTES:**

#### **6/12/03**

Altery contacted us about year ago looking for capital. We got seriously involved with them recently, in connection with the northern Nevada Renewable Energy Strategy. Altery is a fuel cell developer with a potentially breakthrough technology, but a fairly long way to go to commercialization of power market-scale products, although they have niche market products ready for commercialization. We are discussing with them raising the venture capital they need, plus assisting them with a physical location in northern Nevada. Initiated conversations about northern Nevada manufacturing growth.

#### **7/14/03**

Altery and Princeton are cementing a closer development relationship. Princeton has completed preliminary due diligence on the Altery technology. From discussions with potential investors, we also believe that it will be possible to fund the technology. Negotiations are progressing.

**9/21/03**

Alteryg has been blessed with a flood of market opportunities. Negotiations with Princeton are just now picking up this week due to lack of time resources at Alteryg. Alteryg's activities represent a potential nexus with the Washoe RTC hydrogen fuel demonstration project.

---

***Bently Nevada***

James R. Rasmussen  
Renewable Energy Resources Initiative Leader  
Issaquah, WA  
(425) 557-3055  
www.bently.com

**NOTES:**

**6/12/03**

Energy electronics developer located in the northern Nevada region. Recently bought by GE. Initiated discussions about joint projects.

---

***BluePoint Energy, Inc.***

Guy Archbold  
CEO  
Granite Bay, CA  
916 780.6764  
www.bluepointenergy.com

**NOTES:**

**6/12/03**

Exploring growth of northern Nevada manufacturing through PDC projects. Blue Point is loosely affiliated with Princeton through a common director, and Princeton holds a small equity position in the company. BPE has a very clean burning recip engine technology which meets stringent AQ standards, so it is poised for growth in the south coast region and elsewhere.

---

***Bonus Energy A/S***

Jan Kjaersgaard  
Sales Director  
Brande,  
Denmark



[45] 20904347  
www.bonus.dk

**NOTES:**

**6/12/03**

Wind manufacturer. Initiated conversations about northern Nevada investments. The Princeton team is one of the world's leading wind turbine buyers, so we enjoy good access to Bonus and the other WT manufacturers listed below. Bonus is one of the top wind turbine mfrs in the world. Jan is seriously interested in cooperating with us in northern Nevada, in part because he wants to crack our turbine order stream.

-----

***Clipper Windpower, Inc.***

James Brenton Dehlsen  
Executive Vice President  
Carpenteria, CA  
805-690-3275  
<http://www.clipperwind.com/>

**NOTES:**

**6/12/03**

Wind manufacturer. Open to locating in northern Nevada. Initial conversations. Jim is an old friend and former partner. He is one of the wind industry's visionaries. Clipper has a potentially breakthrough technology for the power train in wind turbines, so landing Clipper for the region will be a major coup. One challenge will be convincing Clipper that northern Nevada has enough industrial infrastructure to support his processes.

-----

***Cygnus Wind***

Dennis Scullion  
Tracy, CA  
940-569-9999

**NOTES:**

**7/14/03**

Developer of medium size wind turbines. Cygnus is also tied to enXco, mentioned below, who has strong corporate ties to Princeton. Cygnus will be looking to set up manufacturing operations soon. Princeton has progressed in conversations about Northern Nevada opportunities and Cygnus is actively considering.

**9/13/03**

Cygnus and Princeton continue close conversations. They are in prototype development mode and report especially good test results.

***DayStar Technologies***

John R. Tuttle

President

Grass Valley, CA

530.271.5557

www.daystartech.com

**NOTES:**

**6/12/03**

Solar R&D. Has NV-based research on solar economic development models. Just before the 911 related economic pull-back, DayStar was closing on a major investment for development facilities in the Northern Nevada region. Even though these plans were curtailed, they are being revived with new players. Princeton will now help in these plans.

**8/20/03**

Daystar has been reporting progress toward their goals of cost effective PV commercialization. Princeton continues to engage with them for Northern Nevada implementation as well as manufacturing.

-----

***Energy Unlimited Inc.***

Mark Dawson

President

West Conshohocken, PA

(818) 991-5095

www.eui-windfarm.com

**NOTES:**

**6/12/03**

Wind turbine R&D. Initiated conversations about northern Nevada investments.

-----

***Evergreen Solar***

Mark Farber

CEO/President

Marlboro, MA

508-457-2221  
www.evergreensolar.com

**NOTES:**

**7/14/03**

A leading publicly traded solar cell and module manufacturer. Evergreen is considering opening facilities in the western region. We have initiated conversations about the northern Nevada area advantages.

---

***Fenway Systems***

Joe Pasquariello  
Oakland, CA  
510-985-0794  
<http://www.fenway.com>

**NOTES:**

**6/12/03**

Wind software house with large share of the turbine controls market. Initiated conversations about northern Nevada investments.

---

***Gamesa***

Michael A. Peck  
President  
Washington, D.C.  
(202) 463-7877  
<http://iberamerica.com>

**NOTES:**

**6/12/03**

Wind manufacturer. Initiated conversations with CEO of Gamesa US manufacturing about northern Nevada investments. Gamesa is one of the world's leading WT mfrs and the only vertically integrated one, so it would be a major addition to the regional industrial base. Gamesa is making a major investment in R&D, in an attempt to become a serious rival to the Danes, Germans, and Americans in WT technology.

**9/17/03**

Further discussions with CEO of Gamesa US development. Gamesa is a vertically integrated wind company, so it will be necessary to involve the whole company

in investment in the region. This has the added benefit of potentially bringing more jobs.

---

***GE Wind Energy, LLC***

Jeffery S Ghilardi  
Director, Origination  
Tehachapi, CA  
661-823-6813

**NOTES:**

**6/12/03**

Wind manufacturer. Initiated conversations about northern Nevada investments.

---

***Hitco Carbon Composites, Inc.***

Julian C. Timmerman  
Process Engineer  
Gardena, CA  
310-970-5507

**NOTES:**

**6/12/03**

Wind components manufacturer that supplies material and full composite structures to the wind industry. They would be attracted to the region to supply turbine blade needs. Initiated conversations about northern Nevada investments.

---

***NEG Micon***

Leif Andersen  
Sales Director  
North Palm Springs, CA  
(760) 251-5461

**NOTES:**

**6/12/03**

Wind manufacturer. Initiated conversations about northern Nevada investments. NEGM is our partner in Turkey and is supplying WT's to our Mexican activities.

---

***Nordex***

John Fedorko  
President/Director of Operations  
Grand Prairie, TX  
972-660-8888  
www.nordexusa.com

**NOTES:**

**6/12/03**

Wind manufacturer. Initiated conversations about northern Nevada investments. Nordex is one of the top WT mfrs in the world. John expressed serious interest in northern Nevada, in connection with the Princeton Renewable Energy Strategy

-----

***North American Biorefinery***

Frank Parker  
Atlanta, GA

**NOTES:**

**6/12/03**

Biomass energy company. In talks to learn economic development and energy offerings.

-----

***Northern Power Systems***

Dan Reicher  
Executive Vice President and VP  
Waitsfield, VT  
802-496-2955  
www.northernpower.com

**NOTES:**

**6/12/03**

Wind manufacturer with new products on the horizon for unique niche markets relevant to Northern Nevada. We have worked with them on markets analysis and continue to help them with business strategy consulting. Initiated conversations about northern Nevada investments.

**8/13/03**

Further conversations about Northern's technologies relevance to Northern Nevada. It appears that Northern is less likely to have manufacturing to relocate to the region.

-----

***PowerLight***

Gary Wayne  
Berkeley, CA  
510-540-0550  
<http://www.powerlight.com/index.html>

**NOTES:**

**6/12/03**

Nation's largest solar PV installer. Solar manufacturer with existing interest in NV. Initiated conversations about northern Nevada investments. The new RPS credits legislation for DG solar significantly raises their interest in the Northern Nevada project.

**7/14/03**

Powerlight developed an economic development proposal for California based on solar PV and energy efficiency manufacturing. The study showed significant job development potential using established modeling techniques. Powerlight and Princeton are in discussions to adapt this proposal to the Northern Nevada case and direct manufacturing activities to the region.

**8/21/03**

PowerLight bid into the Nevada utility RFP for renewable energy. Princeton and PowerLight have had multiple detailed conversations in the attempt to find cost effective opportunities for PV solar in Northern Nevada. Results to date do not show a clear path, but further options are being explored.

-----

***Ridge Energy Storage & Grid Services L.P.***

David J. Pemberton  
Partner  
Houston, TX  
(713) 552-9300

**NOTES:**

**6/12/03**

Energy storage technology. Discussions about projects.

---

***Royal Danish Embassy***

Soren Munk Skydsgaard  
First Secretary (Economic)  
Washington, DC  
(202) 797-5326

**NOTES:**

**6/12/03**

Embassy representative looking for opportunities for small-medium size Danish companies. We will jointly be looking for ways to facilitate a tour by the Danish Ambassador to explore company siting opportunities. Ongoing discussions.

**9/3/03**

Due to the events related to the war in Iraq, the Danish Embassy has been preoccupied with other diplomatic duties. Mr. Skydsgaard is not picking up again with the delegation planning and projects spring of '04.

---

***Siemens US/ Sylvania Lighting Systems***

Peter Alpert  
San Diego, CA  
805-695-8882  
[http://www.sylvania.com/home\\_us.htm](http://www.sylvania.com/home_us.htm)

**NOTES:**

**7/14/03**

Siemens and Sylvania manufacture a fast array of products for all industries including power production and energy efficiency. Princeton has close relationships with senior Sylvania people who are aware of pending manufacturing facility plans. Princeton and Sylvania are discussing promising opportunities for the northern Nevada region.

---

***Suzlon Wind Energy Corp.***

Girish Tanti  
Vice Chairman  
San Diego, CA

(858) 847-0574  
www.suzlon-usa.com

**NOTES:**

**6/12/03**

Wind manufacturer. Initiated conversations about northern Nevada investments.

---

***United Steelworkers of America***

Danny Thompson  
Executive Secretary Treasurer, NV  
Reno, NV  
775-882-7490

**NOTES:**

**6/12/03**

Union heavily involved in promoting renewable energy. Initiated conversations.

---

***Vestas - American Wind Technology, Inc.***

Johannes Poulsen  
Johannes Poulsen, Managing Dir, of Vestas Wind A/S  
Portland, OR  
<http://www.vestas.dk/>

**NOTES:**

**6/12/03**

Wind manufacturer. Initiated conversations about northern Nevada investments. Vestas is an unlikely prospect, because of their prior commitments to Oregon and South Korea.

---

***Wind Turbine Company***

Larry Miles  
President  
Bellevue, WA  
425-637-1470  
[www.windturbinecompany.com](http://www.windturbinecompany.com)

**NOTES:**



**6/12/03**

Wind R&D. Initiated conversations about northern Nevada investments. WTC has an interesting technology which may potentially improve the economic efficiency and performance of wind turbines, so they represent a substantial upside for an investment in the region. WTC is also thinly capitalized, so we will work with them on this aspect of their activities as well as their manufacturing location.

**8/1/03**

The WTC has had significant technical setbacks. The future of their federal funding is now up in the air. They will be reporting back to us soon.

-----