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CALIFORNIA ENERGY COMMISSION COMMITTEE RECOMMENDS APPROVAL OF BRIGHTSOURCE ENERGY'S IVANPAH SOLAR ELECTRIC GENERATING SYSTEM

Project Takes Key Step towards Bringing More than 1,000 Construction Jobs to California's High Desert Region

(OAKLAND, CA) August 4, 2010 – <u>BrightSource Energy, Inc.</u>, developer of utility-scale solar thermal power plants, announced today that a California Energy Commission siting committee issued a proposed decision recommending approval of BrightSource's <u>Ivanpah Solar Electric</u> <u>Generating System</u>.

The proposed decision moves BrightSource one step closer to commencing construction of the 392 megawatt project. When constructed, Ivanpah will be the world's largest solar energy project, nearly doubling the amount of solar thermal electricity produced in the U.S. today.

"We're grateful for the CEC staff's diligent work, and the committee's thoughtful and timely recommendation to approve the Ivanpah Solar Electric Generating System," said John Woolard, President and CEO of BrightSource Energy. "We look forward to a final decision from the Commission when we can begin constructing the Ivanpah project, providing good jobs for the High Desert community, producing clean energy for the state's homes and businesses, and creating a model for environmentally-responsible energy projects."

The proposed decision marks the beginning of a 30-day public comment period, after which the project will be put before the full California Energy Commission for a final decision. The Ivanpah project is also being reviewed by the federal Bureau of Land Management (BLM). The BLM is expected to issue its Final Environmental Impact Statement for the Ivanpah project in the near future, followed by a final Record of Decision. BrightSource expects to have all of the necessary permits to commence construction in fall 2010.

Today's permitting milestone follows BrightSource receiving a conditional commitment from the U.S. Department of Energy for <u>\$1.37 billion in loan guarantees</u> to support the financing of the Ivanpah project.

The Ivanpah Project: Clean Energy, Union Jobs, Environmentally-Responsible Design The Ivanpah project, located in southeastern California, consists of three separate solar thermal power plants. When constructed, the project will:

- produce enough clean energy to power 140,000 homes
- reduce carbon dioxide (CO₂) emissions by more than 400,000 tons annually, the equivalent of taking more than 70,000 cars off the road
- create more than 1,000 local union jobs at the peak of construction
- provide \$650 million in employee wages over its first 30-year life

The Ivanpah project will be built by Bechtel, a global leader in engineering and construction. In December 2009, Bechtel signed a project labor agreement with the State Building and Construction Trades Council of California (SBCTC) and the Building & Construction Trades Council of San Bernardino and Riverside counties to ensure that California's local workforce benefits from the project.

"This proposed decision moves us one step closer to putting the High Desert's talented labor pool to work building our state's much needed infrastructure," said Bob Balgenorth, President of the State Building and Construction Trades Council of California. "Ivanpah is setting a great standard by training and employing the middle class workers that support our state's economy."

The power generated from these solar plants will be sold under separate contracts with Pacific Gas and Electric (PG&E) and Southern California Edison (SCE). PG&E will purchase approximately two-thirds of the power generated at Ivanpah and SCE will purchase approximately one-third. In all, BrightSource has contracted with PG&E and SCE to deliver more than 2,600 megawatts of electric power.

The project is also setting a higher bar when it comes to <u>environmental design</u>. Instead of the extensive land grading and concrete pads employed by other competing solar technologies, BrightSource mounts mirrors on individual poles that are placed directly into the ground, allowing the solar field to be built around the natural contours of the land and avoid areas of sensitive vegetation.

In order to conserve precious desert water, the Ivanpah project will employ an air-cooling system to convert the steam back into water in a closed-loop cycle. By using air-cooling, the project will use only 100 acre feet of water per year, approximately 95 percent less water than competing solar thermal technologies that use wet-cooling.

"Large-scale solar technologies provide one of our best hopes for solving the problem of global climate change," said Amy Davidsen, U.S. Director of The Climate Group. "To meet this potential, we need to scale up the use of these technologies as soon as possible. Today's proposed decision recommending approval of the Ivanpah project represents a major step toward the realization of this goal."

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About BrightSource Energy, Inc.

BrightSource Energy, Inc. provides clean, reliable and low cost solar energy for utility and industrial companies worldwide. The BrightSource Energy team combines nearly three decades of experience designing, building and operating the world's largest solar energy plants with world-class project development capabilities. The company now has contracted to sell 2610 megawatts of power to be generated using its proprietary solar thermal technology. BrightSource Energy's solar plants are designed to minimize their impact on the environment and help customers reduce their dependence on fossil fuels. Headquartered in Oakland, Calif., BrightSource Energy is a privately held company with operations in the United States, Israel, and Australia. To learn more about BrightSource Energy and solar thermal energy, visit <u>www.brightsourceenergy.com</u>.