

Obama offers \$1.85b for solar plant effort

Loan guarantees will aid project's construction

By Nicholas Johnston, Bloomberg News | July 4, 2010

WASHINGTON — President Obama announced \$1.85 billion in loan guarantees yesterday to build a solar generating plant and expand solar-panel production, which he said would create thousands of new jobs.

In his weekly address on the radio and Internet, Obama said the money from the Department of Energy will help the nation convert to a “clean energy economy” that creates hundreds of thousands of jobs in the future.

“We’re going to keep competing aggressively to make sure the jobs and industries of the future are taking root right here in America,” Obama said.

The loan guarantees were given to Abengoa SA, which will build a solar generating plant, and Abound Solar Inc., which manufactures solar panels.

The money will come from the \$862 billion economic stimulus program enacted early last year. Obama announced the funding the day after government figures showed private employers adding fewer workers than forecast in June, reinforcing concerns the economic recovery will weaken.

“The recession from which we’re emerging has left us in a hole that’s about 8 million jobs deep,” Obama said. “And as I’ve said from the day I took office, it’s going to take months, even years, to dig our way out.”

Abengoa Solar, a unit of a Seville, Spain, engineering company, will receive a \$1.45 billion loan guarantee to build a solar generating plant in Arizona that will create 1,600 construction jobs and 85 permanent jobs, according to the White House.

The power plant will be the first of its kind in the United States and generate enough energy to power 70,000 homes, the president said. “After years of watching companies build things and create jobs overseas, it’s good news that we’ve attracted a company to our shores to build a plant and create jobs right here in America.”

Abound Solar, of Loveland, Colo., will receive a \$400 million loan guarantee to expand a solar-panel manufacturing plant in Longmont, Colo., and to open a new plant in Tipton, Ind. The two plants will employ about 1,500 people, according to the White House documents.

“When fully operational, these plants will produce millions of state-of-the-art solar panels each year,” Obama said.

In the Republicans’ weekly address, Senator Saxby Chambliss of Georgia warned that the national debt, which is more than \$13 trillion, will be a burden on future generations that will have to pay higher taxes because of “out-of-control spending” by the government now. ■