

The sunshine state: Mass. turns on juice to win solar plant

By [Jay Fitzgerald](#)

Boston Herald General Economics Reporter

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Score one for Massachusetts.

After years of seeing companies expand operations elsewhere, a full-court press by Gov. [Deval Patrick](#)'s administration led to yesterday's announcement that Evergreen Solar Inc. will build a new \$150 million solar-panel manufacturing facility in its home state, creating more than 350 jobs in Westborough, officials said.

The Patrick administration - which has vowed to both promote the alternative-energy industry and to press local firms to expand in Massachusetts - boasted yesterday the state beat out North Carolina, New Mexico, New York, Oregon and Mexico to land the Evergreen expansion.

Massachusetts' bid centered on a \$44 million financial package that includes grants, low-interest loans and a 30-year lease of state land for the facility, expected to be open next year.

The Massachusetts Office of Business Development, Massachusetts Technology Collaborative, Citizens Bank and the Massachusetts Development Finance Agency all chipped in to help seal the deal, officials said yesterday.

"Several states aggressively pursued our planned new facility," said Evergreen chief executive Richard M. Feldt.

But in the end, Feldt said, state and local officials' promises were "key factors" in the company's decision to expand in Massachusetts.

"I've said all along, if Massachusetts can get clean-energy technology right, the world will be our customer," Patrick said in a statement.

The Marlboro-based Evergreen, which would more than double its state employment with the expansion, plans to build its facility on state-owned property adjacent to the headquarters of the Massachusetts Technology Collaborative, a quasi-public organization that invests funds in innovative companies and technologies.

In addition to the Evergreen expansion, officials also announced that the company and Nstar have entered into a "first-in-the-nation" marketing program to promote solar power. Evergreen is also in talks with National Grid and Western Massachusetts Electric about similar agreements, Patrick's office said.



Gov. Deval Patrick talks about the planned Evergreen Solar plant, which will employ 350 people. (Herald photo by Faith Ninivaggi)

State lands solar-panel factory

Hiring of up to 375 to be largest job gain under Patrick so far

By Megan Woolhouse, Globe Staff | April 18, 2007

MARLBOROUGH -- Governor Deval L. Patrick got the opportunity to show his commitment to business and the environment yesterday, when the state revealed it had bested bids from North Carolina to Mexico to build a solar-panel factory that will create as many as 375 jobs.

The \$150 million plant, to be built by [Evergreen Solar Inc.](#) in nearby Westborough, will receive more than \$44 million in state and private grants and loans. Patrick disclosed the winning bid yesterday with Evergreen chief executive Richard M. Feldt and [NStar](#) senior vice president Joseph Nolan, who said the electric utility will begin working with Evergreen to help it target customers willing to buy and install solar panels.

"The message to the state and the nation is clear," Patrick said. "We want Massachusetts to be the home of clean energy technology."

The planned expansion represents the biggest batch of jobs created under Patrick and will more than double the number of Evergreen employees in Massachusetts. The Marlborough company was founded in 1994 with venture capital money and has yet to become profitable. Yesterday, Evergreen reported that it had narrowed its losses to \$6.2 million in the first quarter on increased sales.

"When we began this process, I thought we would end up someplace else," Feldt said of the expansion plan. "Making solar a priority [in Massachusetts] was a tipping point in our decision to be here."

Evergreen founder Mark A. Farber first sought out Patrick last year, when Patrick was a candidate for governor. The two met at a election fundraiser in Boston hosted by a "green" architectural firm. Farber said he told Patrick the company was planning to build a plant in Germany because the market for solar panels there is strong. The fact that the domestic market wasn't as strong seemed to bother Patrick, Farber said.

Patrick toured the Marlborough facility on the campaign trail last fall and met privately with Farber, Feldt, and Congressman Jim McGovern, Democrat of Worcester. Farber said no one in former governor Mitt Romney's administration had shown a similar "receptiveness." State officials met with executives again after Patrick's election.

"This governor gets the story," Farber said. "It's about clean energy and local jobs."

The new factory will be built on state-owned land adjacent to the Massachusetts Technology Collaborative, a state development agency that promotes renewable energy.

The state's Office of Business Development put together a \$44 million financing package to entice Evergreen. Included in the package is \$13.5 million in grants from the Massachusetts Technology Collaborative's Renewable Energy Trust, the state's Workforce Training Fund, and other grant sources, as well as \$17.5 million in loans from MassDevelopment, the Massachusetts Technology Collaborative, and Citizens Bank.

Citizens will loan the company \$7.5 million for the project through a low interest loan program it began in 2005 to help bring jobs to the state. The loan is the largest the bank has offered to a company in Massachusetts to date, said Robert E. Smyth, chief executive of Citizens Bank of Massachusetts.

State officials said Massachusetts package beat bids from Oregon, New York, North Carolina and other states, as well as Mexico who wanted the facility.

Evergreen CEO Feldt said he was persuaded in part by the governor's commitment to the clean energy industry. Patrick and state officials have agreed to increase the state's capacity to generate solar power from its estimated 2 megawatt production to 250 megawatts by the year 2017. One megawatt would light up about 1,000 homes.

State officials said yesterday they plan to install solar paneling totaling one megawatt of energy at several higher education institutions and correctional facilities this year.

Sue Reid , staff attorney for the environmental advocacy group the Conservation Law Foundation, called the plan ambitious and "at the forefront" of the clean energy movement. The state of California also recently agreed to try to create 3,000 megawatts of clean power by 2017.

"There are always initial infrastructure costs, but you recover that savings over time," she said of the Massachusetts investment. "With solar, it just takes longer to pay off." ■



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News Release

Evergreen Solar and NSTAR Announce Alliance to Spur Interest in Solar Energy

MARLBORO, Mass.--(BUSINESS WIRE)--April 17, 2007--Evergreen Solar, Inc. (Nasdaq: ESLR), a manufacturer of solar power products, and NSTAR (NYSE: NST), an electric and gas delivery company based in Boston, today announced an alliance designed to increase the role of solar power in Eastern Massachusetts. The alliance will leverage Evergreen Solar's unique String Ribbon(TM) solar power technology with NSTAR's expertise, capabilities and customer relationships to promote cost-effective solar options for consumers.

"This relationship with a utility can dramatically improve solar market delivery and significantly accelerate closing the gap between solar and conventional energy costs," said Richard M. Feldt, Chairman, President and CEO of Evergreen Solar. "NSTAR has ideal infrastructure to reduce the non-hardware portion of solar system costs. This vision has been central in Evergreen Solar's strategy, and we are very pleased to have NSTAR join in this vision and appreciate very much Governor Deval Patrick's work to help us create this important alliance."

"This program with Evergreen Solar will expand renewable energy choices for our customers by making solar installations more accessible and affordable," said Thomas J. May, NSTAR Chairman, President and CEO. "Customer interest in clean energy options is growing, and we are committed to offering them an increasing number of options to choose from."

NSTAR's goal is to help lower the overall cost of solar energy generation, and increase the awareness of solar for its customers. NSTAR can positively influence the cost of solar installations and service by promoting standardized systems installed by pre-approved solar contractors. The company has years of experience developing and running successful energy efficiency programs and will therefore be the natural contact point for customers interested in installing solar equipment through this and other potential alliances. NSTAR will also bring significant value to related efforts such as market research, marketing and promotion, lead development, sales support, and standardized system development. Customer follow-up, evaluation, and service will also be provided by NSTAR and its contractors.

This alliance will benefit from the announcement today by Massachusetts Governor Deval Patrick of an innovative and expanded solar incentive program for the state comprising a commitment by the Commonwealth to work toward aggressive goals for installed solar power generating capacity - from roughly 2 MW today to 250 MW by the end of 2017 - by strategic use of renewable energy funds and additional regulatory incentives for solar power adoption by residential, commercial, and industrial customers.

About Evergreen Solar, Inc.

Evergreen Solar, Inc. develops, manufactures and markets solar power products using proprietary, low-cost manufacturing technologies. The Company's patented crystalline silicon technology, known as String Ribbon, uses significantly less silicon than conventional approaches. Evergreen's products provide reliable and environmentally clean electric power for residential and commercial applications globally. For more information about the Company, please visit www.evergreensolar.com. Evergreen Solar(R) is a registered trademark of Evergreen Solar, Inc

About NSTAR

NSTAR transmits and delivers electricity and natural gas to 1.4 million customers in Eastern and Central Massachusetts, including more than one million electric distribution customers in 81 communities and nearly 300,000 natural gas distribution customers in 51 communities. For more information, go to www.nstar.com.

Conference Call Information

Evergreen Solar management will conduct a conference call at 5:00 p.m. (ET) today to review this announcement and the Company's first-quarter financial results. The conference call will be webcast live over the Internet. The webcast can be accessed by logging on to the "Investors" section of Evergreen Solar's website, www.evergreensolar.com, prior to the event. The call also can be accessed by dialing (800) 819-9193 or (913) 981-4911 prior to the start of the call. For those unable to join the live conference call, a replay will be available from 8:00 p.m. (ET) on April 17 through midnight (ET) on April 23. To access the replay, dial (888) 203-1112 or (719) 457-0820 and refer to confirmation code 6088974. The webcast also will be archived on the Company's website.

Safe Harbor Statement

This press release contains forward-looking statements within the meaning of federal securities laws. Evergreen Solar cautions you that any statements contained in this press release that are not strictly historical statements constitute forward-looking statements. Such forward-looking statements include, but are not limited to: the Company's and NSTAR's ability to finalize arrangements relating to the solar power alliance; the alliance's ability to improve solar market delivery and significantly reduce the gap between solar and conventional energy costs; the ability of the alliance to make solar installations more accessible and affordable; the expected customer demand for solar energy; and the other expected benefits of the solar power alliance with NSTAR. These statements are neither promises nor guarantees, and involve risks and uncertainties that could cause actual results to differ materially from such forward-looking statements. Such risks and uncertainties include, among other things, the following factors: the Company's relationships with current or prospective strategic partners, including NSTAR, may be affected by adverse developments in the Company's business, the business of the Company's strategic partners, competitive factors, solar power market conditions, or financial market conditions; the Company has limited experience manufacturing large volumes of solar power products on a commercial basis at acceptable costs, which it will need to do in order to be successful; the risk that technological changes in the solar industry could render the Company's solar products uncompetitive or obsolete; the market for products such as the Company's solar power products is heavily influenced by federal, state, local and foreign government regulations and policies, as well as the availability and size of government subsidies and economic incentives, over which the Company has little control; and the market for solar power products is emerging and rapidly developing and the market demand for solar power products such as the Company's products is uncertain. In addition to the foregoing factors, the risk factors identified in the Company's filings with the Securities and Exchange Commission - including the Company's Annual Report on Form 10-K filed with the SEC on February 27, 2007 (copies of which may be obtained at the SEC's website at: <http://www.sec.gov>), could impact the forward-looking statements contained in this press release. Readers should not place undue reliance on any such forward-looking statements, which speak only as of the date they are made. The Company disclaims any obligation to publicly update or revise any such statements to reflect any change in Company expectations, or in events, conditions or circumstances on which any such statements may be based, or that may affect the likelihood that actual results will differ from those set forth in the forward-looking statements.

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SOURCE:

Evergreen Solar, Inc.



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News Release

Evergreen Solar to Build Major New Manufacturing Facility in Massachusetts

Company Will Double Its Massachusetts Workforce

MARLBORO, Mass.--(BUSINESS WIRE)--April 17, 2007--Evergreen Solar, Inc. (Nasdaq: ESLR), a manufacturer of solar power products with its proprietary, low-cost String Ribbon(TM) wafer technology, today announced its intention to significantly expand its manufacturing operations with a new facility expected to be located on the campus of the Massachusetts Technology Collaborative (MTC) in Westborough, Massachusetts. The Company's Board of Directors has approved the construction of a new \$150 million facility that will increase Evergreen Solar's production capacity in Massachusetts by 70 MW and double its employee base in the state to more than 600 employees. Evergreen Solar currently operates its prototype production and manufacturing facility in Marlboro, Massachusetts.

"Over the last three years, we have shown that our string ribbon technology is scalable as we have increased annual sales fourfold to approximately \$100 million in 2006 through our joint venture in Europe," said Richard M. Feldt, Chairman, President and Chief Executive Officer of Evergreen Solar. "Our new plant in Massachusetts is a natural evolution of this market penetration as we focus on the significant opportunities in the United States. Several states aggressively pursued our planned new facility. Governor Deval Patrick's vision for broad scale solar power adoption through an innovative solar incentive program as well as the creative financial incentive programs that the Governor, the Legislature and the Town of Westborough are expected to provide were key factors in our decision to expand in Massachusetts."

"Evergreen Solar is one of the companies that is going to help us get clean energy right," said Governor Patrick. "I am proud that my economic development and energy and environmental affairs teams are able to help Evergreen Solar grow and thrive right here in Massachusetts, and give us a head start toward building a clean energy economy."

The Commonwealth of Massachusetts support program is expected to include up to \$23 million in grants, up to \$17.5 million in low-interest loans and a low-cost, 30-year lease of MTC land. Construction of Evergreen Solar's new facility is planned to begin in early fall 2007 with completion expected in late 2008.

About Evergreen Solar, Inc.

Evergreen Solar, Inc. develops, manufactures and markets solar power products using proprietary, low-cost manufacturing technologies. The Company's patented crystalline silicon technology, known as String Ribbon, uses significantly less silicon than conventional approaches. Evergreen Solar's products provide reliable and environmentally clean electric power for residential and commercial applications globally. For more information about the Company, please visit www.evergreensolar.com. Evergreen Solar(R) is a registered trademark and String Ribbon(TM) is a trademark of Evergreen Solar, Inc.

Conference Call Information

Evergreen Solar management will conduct a conference call at 5:00 p.m. (ET) today to review this announcement and the Company's first-quarter financial results and highlights. The conference call will be webcast live over the Internet. The webcast can be accessed by logging on to the "Investors" section of Evergreen Solar's website, www.evergreensolar.com, prior to the event. The call also can be accessed by dialing (800) 819-9193 or (913) 981-4911 prior to the start of the call. For those unable to join the live conference call, a replay will be available from 8:00 p.m. (ET) on April 17 through midnight (ET) on April 23. To access the replay, dial (888) 203-1112 or (719) 457-0820 and refer to confirmation code 6088974. The webcast also will be archived on the Company's website.

Safe Harbor Statement

This press release contains forward-looking statements within the meaning of federal securities laws. Evergreen Solar cautions you that any statements contained in this press release that are not strictly historical statements constitute forward-looking statements. Such forward-looking statements include, but are not limited to: the Company's ability to finalize arrangements concerning the new manufacturing facility and successfully complete its construction; the Company's ability to increase its production capacity in Massachusetts to over 80 MW; the Company's ability to attract and retain employees that will double its employee base; the availability of, and the Company's ability to qualify for, the up to \$23 million in grants and up to \$17.5 million in low-interest loans, and a low cost 30-year lease of MTC land. These statements are neither promises nor

guarantees, and involve risks and uncertainties that could cause actual results to differ materially from such forward-looking statements. Such risks and uncertainties include, among other things, the following factors: the risks associated with the construction of any large scale manufacturing facility; the conditions to which any government grant is subject; the risk that any government grant that has been or may be approved is subject to forfeiture or repayment in whole or in part if the Company fails to continue to meet the conditions for such grants or if such grants for any reason become unavailable; the Company has limited experience manufacturing large volumes of solar power products on a commercial basis; and the market for products such as the Company's solar power products is heavily influenced by federal, state, local and foreign government regulations and policies, as well as the availability and size of government subsidies and economic incentives, over which the Company has little control. In addition to the foregoing factors, the risk factors identified in the Company's filings with the Securities and Exchange Commission - including the Company's Annual Report on Form 10-K filed with the SEC on February 27, 2007 (copies of which may be obtained at the SEC's website at: <http://www.sec.gov>), could impact the forward-looking statements contained in this press release. Readers should not place undue reliance on any such forward-looking statements, which speak only as of the date they are made. The Company disclaims any obligation to publicly update or revise any such statements to reflect any change in Company expectations, or in events, conditions or circumstances on which any such statements may be based, or that may affect the likelihood that actual results will differ from those set forth in the forward-looking statements.

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SOURCE: Evergreen Solar, Inc.

GOVERNOR PATRICK ANNOUNCES NEW MANUFACTURING PLANT FOR EVERGREEN SOLAR, PLAN TO BOOST CLEAN ENERGY, JOBS

Incentive and financing package, state policy commitments, and path-breaking alliance with utility make Massachusetts ripe for growth

BOSTON – Tuesday, April 17 – Governor Deval Patrick today announced that, with state assistance, Marlborough-based Evergreen Solar Inc. will build a manufacturing plant located in Westborough. This expansion will result in 350 to 375 new jobs – more than doubling Evergreen Solar’s current Massachusetts employment.

“I’ve said all along, if Massachusetts can get clean energy technology right, the world will be our customer,” said Governor Patrick. “Evergreen Solar is one of the companies that’s going to help us get clean energy right. I am proud that my economic development and energy and environmental affairs teams were able to help Evergreen Solar grow and thrive right here in Massachusetts, and give us a head start toward building a clean energy economy.”

Also key to the development of solar power as a clean energy source and an industry in Massachusetts is a first-in-the-nation partnership between a manufacturer of solar photovoltaic products and an electricity distribution utility announced today. Evergreen Solar and NSTAR have announced an alliance that will combine Evergreen Solar’s photovoltaic technology with NSTAR’s expertise, capabilities, and customer relationships for a new model of solar market development. Utilities National GRID and Western Massachusetts Electric have also entered into discussions about forming similar relationships with Evergreen Solar.

“We are most appreciative of Governor Patrick’s efforts in creating the conditions that made sense for us to expand in the place where we got our start,” said Richard Feldt, president and chief executive officer of Evergreen Solar. “Governor Patrick’s vision for broad scale solar adoption through an innovative solar incentive program as well as the creative financial incentive programs the state had to offer influenced our decision to expand in Massachusetts. Finally, the Governor’s efforts to encourage utilities to use their substantial infrastructure to improve solar market delivery should help us close the gap between solar and conventional energy costs.”

“This program with Evergreen Solar will expand renewable energy choices for our customers by making solar installations more accessible and affordable,” said Thomas J. May, NSTAR Chairman, President and CEO. “Customer interest in clean energy options is growing, and we are committed to offering them an increasing number of options to choose from.”

Today’s announcement at Evergreen Solar’s Marlborough Science and Technology Center highlighted three key developments:

Evergreen Solar’s \$150 million manufacturing plant, to be built in Westborough, adjacent to the campus of the Massachusetts Technology Collaborative (MTC). A \$44 million financing package put together by the Massachusetts Office of Business Development includes \$23 million in grants to the company and its host community, \$17.5 million in low-interest loans from public and private entities, and \$3 million in savings from a low-cost 30-year lease of state-owned land.

A first-in-the-nation alliance between a solar manufacturer and an electric utility, with NSTAR agreeing to help Evergreen Solar identify prospective solar customers and to provide its customers with information on solar power, along with referrals to reputable installers and potential sources of financing.

A commitment by the Commonwealth to aggressive goals for installed solar power generating capacity – from roughly 2 MW today to 250 MW by the end of 2017 – by strategic use of renewable energy funds and new regulatory incentives for solar power adoption by residential, commercial, and industrial customers.

“Today marks a major step on the road to our clean energy future,” said Governor Patrick. “I am proud to share this day, and this road, with my friends at Evergreen Solar and NSTAR.”

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Evergreen Solar to build \$150M plant in Westborough

Mass High Tech: The Journal of New England Technology - 12:38 PM EDT
Tuesday, April 17, 2007

by [Catherine Williams](#)

Mass High Tech

Marlborough-based Evergreen Solar Inc. today unveiled plans to build a \$150 million solar-panel manufacturing plant in Westborough. The expansion of Evergreen's business is expected to create 350 to 375 jobs in the Bay State, according to state officials.

The state of Massachusetts chipped in a \$44 million grant and loan package to Evergreen and to the city of Marlborough to help with construction and infrastructure-improvement costs as a way to help keep those jobs in the Bay State.

Evergreen also announced a partnership with NSTAR that calls for the Massachusetts-based utility to provide solar energy information to its customers and to provide Evergreen with commercial and residential customer leads, according to state officials.

The alliance could translate into skyrocketing sales for Evergreen because NSTAR serves 1.4 million customers in 100 communities across the state. Evergreen's business of developing and manufacturing solar panels made of crystalline silicon using its String Ribbon wafer technology for commercial and residential customers is growing.

So far, 2007 has been a big year for Evergreen, which announced earlier this month a \$200 million sales agreement with Maryland-based solar energy service provider SunEdison LLC. The agreement brings the existing contract to \$510 million

Despite large sales gains, however, the publicly traded company reported a \$26 million net loss on \$103 million in revenue in 2006.

Evergreen's decision to expand in Massachusetts, meanwhile, is the first big jobs win for Gov. Deval Patrick, who took office in January. On the stump -- which included a September campaign stop at Evergreen -- Patrick pitched his goal to make the Bay State a center for alternative-energy technology.

The Evergreen deal is also a milestone in building the clean energy sector, said Ian Bowles, Massachusetts secretary of energy and environmental affairs, in a statement to Mass High Tech.

"The message should be loud and clear: Massachusetts is open for business in clean energy," said Bowles.

But Massachusetts has lost 150,000 jobs since 2001 and it is unclear when Evergreen's jobs will come on line.

The hope is Evergreen would draw other clean-energy-related companies by serving as an "anchor tenant of the green energy cluster" in the Bay State, said Warren Leon, director of the Massachusetts Renewable Energy Trust.

The Renewable Energy Trust is the investment arm of the Massachusetts Technology Collaborative, which is a quasi-public state agency. The trust is funded through a monthly systems benefit surcharge to all electricity users statewide.

The state's \$44 million package includes \$10.5 million in grants from the trust. In 2003, the trust made a \$2.5 million equity investment in Evergreen and later sold its stake for \$8.5 million, according to Leon.

In addition to Massachusetts, Evergreen operates solar panel facilities in Thalheim, Germany, home to two solar-panel facilities run by a joint venture of Evergreen, Q-Cells and REC Group. One plant became operational in March 2006 and a second one is expected to be up and running by the second-quarter 2007, according to company officials.

Evergreen Solar was founded in 1994. In 2005, the company employed 275 in Marlborough. By the end of 2006, the company employed 335 in Marlborough and 350 people at its EverQ 1 factory in Germany.