

Solar panel company eyeing new plant here

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Solar-energy startup Sencera International Corp. is looking for city and county incentives totaling \$1.04 million to establish a \$35 million panel-manufacturing plant in Charlotte.

The city approved its \$367,545 share of the proposed incentive Tuesday. The company would renovate its current headquarters at 3101 Stafford Drive in west Charlotte. County commissioners are considering \$672,176 in incentives June 4. The state may also contribute \$62,000 in a One North Carolina Grant.

But there is competition for the plant. The city says other locations in the region could get Sencera and that the city of Fremont, Calif., is also in the running.

Executives at Sencera say staying in Charlotte is their first choice. Chief Executive Rusty Jewett says more money may be available elsewhere, but Sencera is more interested in the Charlotte community's support than in the dollar amount. Chief Financial Officer Britt Weaver agrees, saying, "If these incentives are approved, it's a done deal. We will stay in Charlotte."

If the plant is built here, it is expected to start next summer producing panels with a capacity of up to 35 megawatts. By 2011, the company expects to have 65 workers there. The average salary, according to information provided to City Council, would be \$73,462 -- close to twice the average salary for the region.

The plant would have production lines initially. Each would lay the films of plasma on base materials to make the panels. Weaver says the site has room for expansion. The company hopes to continue adding new lines, with an annual capacity of 7.7 megawatts, for several years after the initial plant is finished.

Sencera got a \$3.6 million investment from The Quercus Trust of Newport, Calif.,



photo FILE

Sencera Chief Executive Rusty Jewett expects to begin producing solar panels at a new manufacturing plant by next summer. By 2011, the company expects to have 65 workers there.

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Larry Shirley
 N.C. Energy Office

in April. That money went to build a pilot production line at the Stafford Drive plant.

The company is looking at \$15 million in additional investments this summer, and Weaver says Sencera is close to getting that done. That money will be used to complete the company's first commercial production line, expected to start up next summer.

He says the company is no longer looking for investors, but is focusing on choosing the right investors for this round.

The plant would be the first significant manufacturing investment for renewable-

energy production in the state. "This will be a significant development, a real breakthrough, if it occurs," says Larry Shirley, director of the North Carolina Energy Office.

The state has a number of companies that produce components for the alternative-energy manufacturers, says Paul Quinlan, senior policy associate with The N.C. Sustainable Energy Association. A study by Appalachian State University's Energy Center this year listed more than 100.

But both say there is almost no final product manufacturing in the state.

There is a small photo-voltaic panel manufacturer in Concord, SBM Solar. Osbert Cheung, founder and president, says the company is close to the end of a two-year effort to get its equipment certified by Underwriters Laboratories. Once he has that approval, he says, the small company will expand beyond its current five

SENCERA: Solar panel company to get incentives to build plant in Charlotte

employees to commercial scale production of the panels. He says he is already looking for expansion sites.

MegaWatt Solar in Hillsborough, backed by \$17 million from alternative-energy partner Scatec of Norway, is developing mirror technology to concentrate sunlight for energy production in utility-scale projects. But Shirley says that company is still in the research and development stage.

Solargenix, which produces solar thermal energy systems, has its headquarters near Raleigh. But it manufactures its systems in Chicago because of local tax incentives that create a market for such solar systems.

Similar government action has encouraged the solar industry in North Carolina. Last year, Jewett described North Carolina and the Southeast as something of a backwater in solar development. He and Weaver believed they might have to move the company west to ensure its future.

But now, they say, a state law that will

require N.C. utilities to sell some power produced by renewable resources — including specific solar requirements — has changed the equation.

Duke Energy opted not to use Sencera or MegaWatt Solar in its first round of alternative energy contracts. But has agreed to buy power from a \$173 million solar farm proposed for Davidson County. And solar energy is receiving increasing attention in the Southeast, where the other principal renewable source, wind power, appears less attractive.

“North Carolina is coming up to speed,” says Quinlan. “The term ‘backwater’ is no longer applicable.”

Jewett and Weaver agree there has been a noticeable shift in North Carolina. Weaver says Sencera “would like to plant a flag in the ground” and be Charlotte’s photo-voltaic company.

And the company is moving as fast as it can while awaiting final action by the local governments. It has hired John Urban

of Charlotte’s Urban Architects to design the new production facility. That work is essentially done, Weaver says. Sencera wanted to be able to move immediately if the incentives are approved.

The company has some of the equipment it will install for its first commercial production line. Sencera intends to speed the production of solar panels — and thus lower costs — by using a thin-layer plasma technology.

The next important step, he says, will be hiring a vice president of manufacturing. Sencera wants that person involved in the plant from construction forward.

“What is most important to us is that we are able to execute on our business plan,” says Jewett. “It is much more important that we don’t hit any snags that delay us than that we get the biggest incentives package.”

Staff writer Susan Stabley contributed to this report.