

**UNITED STATES
SECURITIES AND EXCHANGE COMMISSION**
Washington, D.C. 20549

FORM 8-K

CURRENT REPORT

**Pursuant to Section 13 or 15(d) of the
Securities Exchange Act of 1934**

Date of report (Date of earliest event reported): July 3, 2006

SUNPOWER CORPORATION

(Exact Name of Registrant as Specified in Charter)

Delaware
(State or Other Jurisdiction
of Incorporation)

000-51593
(Commission File No.)

94-3008969
(I.R.S. Employer
Identification No.)

3939 North First Street, San Jose, California 95134
(Address of Principal Executive Offices) (Zip Code)

Registrant's telephone number, including area code:
(408) 240-5500

N/A
(Former Name or Former Address, if Changed Since Last Report)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions:

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
 - Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
 - Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
 - Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))
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Item 1.01. Entry into a Material Definitive Agreement.

On July 3, 2006, SunPower Corporation (“SunPower”) entered into a 4-year Supply Agreement (the “Agreement”) with DC Chemical Co., Ltd. (“DC Chemical”). The Agreement provides the general terms and conditions pursuant to which DC Chemical will supply SunPower with specified annual quantities of polysilicon at fixed prices. The first delivery of polysilicon is scheduled to take place in the first quarter of 2008. The aggregate purchase price of the polysilicon to be provided under the Agreement is approximately \$250 million through December 31, 2011.

The polysilicon will be manufactured in a new DC Chemical facility, the construction of which will be supported by a series of advanced payments which SunPower will make over the next 12 months (with such advanced payments to be credited against polysilicon deliveries under the Agreement).

Item 7.01. Regulation FD Disclosure.

On July 10, 2006, SunPower issued a press release announcing its entry into this Agreement. A copy of the press release is attached to this report as Exhibit 99.1. In accordance with General Instruction B.2 of Form 8-K, the information set forth herein and in the press release is deemed to be “furnished” and shall not be deemed to be “filed” for purposes of the Securities Exchange Act of 1934, as amended (the “Exchange Act”). The information set forth in Item 7.01 of this report shall not be deemed an admission as to the materiality of any information in this report on Form 8-K that is required to be disclosed solely to satisfy the requirements of Regulation FD.

Item 9.01 Financial Statements and Exhibits.

(d) Exhibits

<u>Exhibit No.</u>	<u>Description</u>
99.1	Press Release dated July 10, 2006

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the Registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

Date: July 10, 2006

SunPower Corporation

By: /s/ Emmanuel Hernandez

Name: Emmanuel Hernandez

Title: Chief Financial Officer

<u>Exhibit No.</u>	<u>Description</u>
99.1	Press Release dated July 10, 2006

Contacts:

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Vice President External Affairs
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SunPower Corporation
408-240-5574

SunPower Announces Major Silicon Supply Agreement with DC Chemical
Deal Supplies SunPower with Substantial Portion of Polysilicon from New Plant

SAN JOSE, Calif., July 10, 2006 – SunPower Corporation (NASDAQ: SPWR), a Silicon Valley-based manufacturer of the world’s highest-efficiency, commercially-available solar cells and solar panels, today announced that it has signed a multi-year polysilicon supply agreement with DC Chemical Co., Ltd. DC Chemical is Korea’s leading chemical company with expertise producing gases used in polysilicon manufacturing.

Starting in 2008, the agreement calls for SunPower to purchase approximately \$250 million of polysilicon over a four-year period from DC Chemical’s new facility which is expected to manufacture 3000 metric tons of polysilicon per year. SunPower will support construction of the facility with a series of advanced payments over the next year. DC Chemical’s polysilicon supply will provide a guaranteed source of raw material to make ingots for SunPower’s high efficiency solar cells.

“SunPower is pleased to partner with DC Chemical as they extend their decades of experience in the chemical industry into polysilicon manufacturing,” said Tom Werner, CEO of SunPower. “The solar industry will benefit from new entrants like DC Chemical who can enable reliable, high-volume polysilicon supply in the near-term. This agreement is a major component of SunPower’s silicon supply portfolio strategy.”

“DC Chemical appreciates our new partnership with SunPower which will support the launch of our polysilicon manufacturing business,” said Mr. Hyunwoo Shin, DC Chemical’s Executive Vice-Chairman. “We see the solar industry as a tremendous long-term market and SunPower as an attractive partner due to their technological leadership.”

“We are proud to help DC Chemical become a key contributor to accelerating the growth of the solar industry,” said PM Pai, COO of SunPower. “We believe that our superior silicon utilization provides us more revenue per ton of silicon we buy, offering us a competitive advantage in the market.”

About SunPower

SunPower Corporation (NASDAQ: SPWR) designs and manufactures high-efficiency silicon solar cells and solar panels based on an all-back contact cell design. SunPower's solar cells and panels generate up to 50 percent more power per unit area than conventional solar technologies and have a uniquely attractive, all-black appearance. For more information on SunPower or solar technology, please visit the SunPower website at <http://www.sunpowercorp.com>. SunPower is a majority-owned subsidiary of Cypress Semiconductor Corp. (NYSE: CY).

About DC Chemical

DC Chemical Co., Ltd. (KRX: 010060) is a leading Korean producer of coal chemicals, basic chemicals, petrochemicals and fine and specialty chemicals and has more than 20 subsidiaries and affiliated companies of the Company. For the year ended December 31, 2005, on an audited consolidated basis, the Company's total sales amounted to (Won) 1,690 billion (U.S.\$ 1,650 million). The Company's consolidated EBITDA in 2005 amounted to (Won) 232.3 billion (U.S.\$ 226.8 million). The Company has been listed on the Korea Exchange since 1976. For more information on DC Chemical, please visit the DC Chemical website at <http://www.dcchem.co.kr>.

Forward Looking Statements

Statements herein that are not historical facts and that refer to SunPower's plans and expectations about its supply of polysilicon, ingots and wafers, general market supply of polysilicon, ingots and wafers, as well as the anticipated aggregate polysilicon procurement under the four-year supply agreement with DC Chemical Co., Ltd., are forward-looking statements made pursuant to the Private Securities Litigation Reform Act of 1995. Such statements are based on our current expectations as of the date of the release, which could change or not materialize as expected. Our actual results may differ materially due to a variety of uncertainties and risk factors, including but not limited to business and economic conditions and growth trends in the solar power industry, our suppliers' ability to provide adequate supply of polysilicon, ingots and wafers to manufacture our products and the price we pay for such material and other risks described in our Annual Report on Form 10-K and other filings with the Securities and Exchange Commission. Except as required by law, we assume no obligation to update any such forward-looking statements. We use words such as "estimated," "believe," "plan" and "expect" and similar expressions to identify forward-looking statements that include, but are not limited to, statements related to our future supply of and pricing of polysilicon, ingots and wafers used in the manufacture of our products.

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