

**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): January 10, 2008

SunPower Corporation
(Exact Name of Registrant as Specified in Charter)

Delaware
(State or Other Jurisdiction
of Incorporation)

000-51593
(Commission
File No.)

94-3008969
(IRS 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 (see General Instruction A.2. below):

- ☐ 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))

Item 1.01. Entry into a Material Definitive Agreement.

On January 10, 2008, SunPower Corporation (“SunPower”) entered into a long-term polysilicon supply agreement (the “First Polysilicon Agreement”) with NorSun AS (“NorSun”). The First Polysilicon Agreement provides the general terms and conditions pursuant to which NorSun is to sell and SunPower is to purchase specified annual quantities of polysilicon at specified prices from 2010 through 2019. The First Polysilicon Agreement provides that NorSun’s obligation to sell polysilicon is conditioned upon receipt of polysilicon from NorSun’s joint venture with Swicorp Joussour Company and Chemical Development Company for the construction of a new polysilicon manufacturing facility in Saudi Arabia. NorSun will initially hold a fifty percent equity interest in the joint venture company.

On January 10, 2008, SunPower and the anticipated shareholders of the joint venture company also agreed upon the terms and conditions of an additional long-term polysilicon supply agreement (the “Second Polysilicon Agreement” and, together with the First Polysilicon Agreement, the “Supply Agreements”) between SunPower and the joint venture company, which is in the process of formation. The Second Polysilicon Agreement provides the general terms and conditions pursuant to which the joint venture company is to sell and SunPower is to purchase specified annual quantities of polysilicon at specified prices from 2010 through 2019. The Second Polysilicon Agreement provides that the joint venture company’s obligation to sell polysilicon is conditioned upon the new polysilicon manufacturing facility achieving commercial operation.

If applicable conditions under the Supply Agreements are satisfied, the aggregate quantity of polysilicon to be purchased by SunPower from 2010 through 2019 is expected to satisfy production requirements for up to approximately 2,500 megawatts of solar cell manufacturing based on SunPower’s expected polysilicon utilization during such period.

In connection with the Supply Agreements, on January 10, 2008, NorSun and SunPower entered into an Option Agreement (the “Option Agreement”). The Option Agreement provides the general terms and conditions pursuant to which SunPower will deliver cash advance payments to NorSun for the purchase of polysilicon under the First Polysilicon Agreement, which NorSun will use to fund its portion of the equity investment in the joint venture company. SunPower shall provide a letter of credit or deposit funds in an escrow account to secure NorSun’s right to such advance payments. Under the terms of the Option Agreement, SunPower may exercise a call option and apply the advance payments to purchase fifty percent, subject to certain adjustments, of NorSun’s equity interest in the joint venture. SunPower may exercise its option at any time until six months following the commercial operation of the Saudi Arabian polysilicon manufacturing facility. The Option Agreement also provides NorSun an option to put fifty percent, subject to certain adjustments, of its equity interest in the joint venture to SunPower. NorSun’s option is exercisable commencing July 1, 2009 through six months following commercial operation of the polysilicon manufacturing facility. NorSun will grant a security interest in its equity interest in the joint venture subject to the put-call option to secure its obligations under the Option Agreement. If either the call option or the put option is exercised, (i) the parties will credit any advance payments for polysilicon against the option’s exercise price, (ii) the First Polysilicon Agreement will terminate, and (iii) SunPower will assume NorSun’s rights and obligations under a long-term polysilicon supply agreement between NorSun and the joint venture company pursuant to which the joint venture company will sell and SunPower will purchase specified annual quantities of polysilicon at specified prices from 2010 through 2019, representing the same quantities and prices under, and on terms and conditions substantially similar to, the First Polysilicon Agreement.

Item 7.01. Regulation FD Disclosure.

On January 16, 2008, SunPower issued a press release announcing its entry into the Supply Agreements. 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

Exhibit No.	Description
99.1	Press Release dated January 16, 2008

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.

SUNPOWER CORPORATION

Date: January 16, 2008

By: /s/ Emmanuel Hernandez

Name: Emmanuel Hernandez

Title: Chief Financial Officer

Exhibit No.	Description
99.1	Press Release dated January 16, 2008

Contacts:

Julie Blunden
SunPower Corporation
408-240-5577

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SunPower Corporation
408-240-5560

SunPower Signs 2500 MW of Polysilicon Agreements

New Polysilicon Plant in Saudi Arabia to Support SunPower Agreements

SAN JOSE, Calif., Jan. 16, 2008— SunPower Corporation (Nasdaq: SPWR), a Silicon Valley-based manufacturer of high-efficiency solar cells, solar panels and solar systems, today announced that it has signed two polysilicon agreements to be supplied by a new polysilicon plant located in Saudi Arabia. The two agreements will support in aggregate 2500 MW of solar cell production.

SunPower signed a polysilicon purchase agreement with NorSun AS and another with NorSun and its partners who are forming a joint venture company to construct a new polysilicon plant in Saudi Arabia. Each agreement anticipates polysilicon delivery to begin in 2010 and extend through 2019.

"SunPower continues to develop new sources of polysilicon," said PM Pai, chief operations officer of SunPower Corp. "We are building a diverse portfolio of intermediate and long-term silicon supply contracts that support SunPower's cost reduction roadmap. Economies of scale in our supply chain, manufacturing and channel development will drive down installed solar system costs by 50 percent by 2012."

About SunPower

SunPower Corporation (Nasdaq: SPWR) designs, manufactures and delivers high-performance solar electric systems worldwide for residential, commercial and utility-scale power plant customers. SunPower high-efficiency solar cells and solar panels generate up to 50 percent more power than conventional solar technologies and have a uniquely attractive, all-black appearance. With headquarters in San Jose, Calif., SunPower has offices in North America, Europe and Asia. For more information, visit www.sunpowercorp.com. SunPower is a majority-owned subsidiary of Cypress Semiconductor Corp. (NYSE: CY).

FORWARD-LOOKING STATEMENT

This press release contains forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995, Section 27A of the Securities Act of 1933 and Section 21E of the Securities Exchange Act of 1934. Forward-looking statements are statements that do not represent historical facts. SunPower uses words and phrases such as "to support," "totaling," "to construct," "anticipates," "will," and similar expressions to identify forward-looking statements. Forward-looking statements in this press release include, but are not limited to, SunPower's plans and expectations regarding (a) two polysilicon agreements totaling approximately 2500 megawatts of solar cell production to support the company's manufacturing expansion plans; (b) NorSun AS and its partners forming a new joint venture to construct a new polysilicon plant in Saudi Arabia; (c) delivery of polysilicon under the agreements beginning in 2010 and extending through 2019; (d) economies of scale driving installed solar system costs lower by 50 percent by 2012. These forward-looking statements are based on information available to SunPower as of the date of this release and current expectations, forecasts and assumptions and involve a number of risks and uncertainties that could cause actual results to differ materially from those anticipated by these forward-looking statements. Such risks and uncertainties include a variety of factors, some of which are beyond SunPower's control. In particular, risks and uncertainties that could cause actual results to differ include (i) the joint venture participants' successfully establishing a new joint venture company; (ii) the joint venture company's ability to construct and operate a new manufacturing facility in Saudi Arabia; (iii) SunPower's ability to ramp new production lines; (iv) SunPower's ability to realize expected manufacturing efficiencies; (v) SunPower's ability to reduce kerf loss and otherwise achieve anticipated reductions in silicon usage efficiency; (vi) production difficulties that could arise; (vii) the success of SunPower's ongoing research and development efforts; (viii) SunPower's ability to obtain adequate supply of polysilicon, ingots and wafers to manufacture its products and the price it pays for such materials; (ix) the price and availability of cells and solar panels; (x) business and economic conditions and growth trends in the solar power industry; (xi) the continuation of governmental and related economic incentives promoting the use of solar power; (xii) the potential renegotiation of or non-performance by parties to SunPower's supply and customer contracts; (xiii) unforeseen manufacturing equipment delays at SunPower's fabrication facilities and panel factories; and (xiv) other risks described in SunPower's Quarterly Report on Form 10-Q for the quarter ended September 30, 2007, and other filings with the Securities Exchange Commission. These forward-looking statements should not be relied upon as representing SunPower's views as of any subsequent date, and SunPower is under no obligation to, and expressly disclaims any responsibility to, update or alter its forward-looking statements, whether as a result of new information, future events or otherwise.

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