

PG&E Signs Historic 800 MW Photovoltaic Solar Power Agreements With OptiSolar and SunPower

Solar Projects Would Supply Enough Renewable Energy Equivalent to the Energy Needs of 239,000 Californian Homes

SAN FRANCISCO, Aug 14, 2008 /PRNewswire-FirstCall via COMTEX News Network/ -- Pacific Gas and Electric Company today announced it has entered into two utility-scale, photovoltaic (PV) solar power contracts for a total of 800 megawatts (MW) of renewable energy. This significant commitment to photovoltaic technology will deliver cumulatively 1.65 billion kilowatt-hours of renewable energy annually. This would be equivalent to the amount of energy needed to serve approximately 239,000 residential homes each year.

PG&E entered into an agreement with Topaz Solar Farms LLC, a subsidiary of OptiSolar Inc., for 550 MW of thin-film PV solar power. The utility also signed a contract with High Plains Ranch II, LLC, a subsidiary of SunPower Corporation (Nasdaq: SPWR), for 250 MW of high-efficiency PV solar power.

"These landmark agreements signal the arrival of utility-scale PV solar power that may be cost-competitive with solar thermal and wind energy," said Jack Keenan, chief operating officer and senior vice president for PG&E. "We will continue to explore such innovative technologies as we aggressively work to increase the amount of renewable energy we provide our customers."

Utility-scale PV solar projects feature photovoltaic solar modules, which convert sunlight directly into electricity and produce the greatest amounts of power during the afternoons, when electricity demand is high. Both projects are contingent upon the extension of the federal investment tax credit for renewable energy and processes to expedite transmission needs.

Over the past six years, PG&E has entered into contracts for more than 3,600 MW of renewable power, including solar contracts that total more than 2,500 MW. PG&E now has contractual commitments for more than 24 percent of its future power deliveries from renewables, including wind, biomass and geothermal.

OptiSolar's Topaz Solar Farm

The 550 MW Topaz Solar Farm project would utilize relatively low-cost, thin-film PV panels designed and manufactured by OptiSolar in Hayward and Sacramento. Located in San Luis Obispo County, California, the project would deliver approximately 1,100,000 megawatt-hours annually of renewable electricity. The project is expected to begin power delivery in 2011 and be fully operational by 2013.

"We are very happy to be working with PG&E to help meet California's requirements for clean, renewable energy and are committed to working closely with the local community as this project moves forward," said Randy Goldstein, chief executive officer of OptiSolar. "Our solar farms are quiet and emission-free, with solar panels mounted near ground level to minimize visual impact. Implementing cost-competitive solar power on this scale establishes thin-film photovoltaic generation as an important contributor to global sustainability."

SunPower's California Valley Solar Ranch

SunPower's planned 250 MW solar ranch, would be located in San Luis Obispo County's California Valley and will deliver an average of 550,000 megawatt-hours of clean electricity annually. The project is expected to begin power delivery in 2010 and be fully operational in 2012. The ranch would employ SunPower's proprietary crystalline PV solar cells, which generate up to 50 percent more power than conventional crystalline cells. The company would install its patented SunPower(R) Tracker solar tracking systems at the site, which tilt toward the sun as it moves across the sky, increasing energy capture by up to 30 percent over fixed systems, while reducing land-use requirements.

"Today, high-efficiency photovoltaic technology is a competitively-priced component of utility-scale peak power generation," said Tom Werner, chief executive officer of SunPower. "Our experience constructing more than 350 megawatts of solar systems on three continents allows us to deliver utility-scale systems quickly and at a scale of hundreds of kilowatts to hundreds of megawatts. We design our solar systems to maximize energy harvest while adapting to the natural topography of the site and serving the needs of the community."

About PG&E

Pacific Gas and Electric Company, a subsidiary of PG&E Corporation, is one of the largest combined natural gas and electric utilities in the United States. Based in San Francisco, with 20,000 employees, the company delivers some of the nation's cleanest energy to 15 million people in northern and central California. For more information, visit <http://www.pge.com>.

About OptiSolar

OptiSolar Inc. is California-based independent power producer committed to delivering clean, competitively priced electricity to the power grid from its large-scale solar farms, using its proprietary thin-film photovoltaic (PV) panels. A vertically integrated business model allows OptiSolar to significantly reduce the cost of renewable, high-volume solar energy. The company's headquarters, R&D operations, and first manufacturing facility are located in Hayward, California. Its second manufacturing facility, under construction in Sacramento, will be the largest PV solar panel plant in North America. OptiSolar has development offices in Canada, Europe, and Asia. For more information about OptiSolar, please visit the company's website at <http://www.optisolar.com>.

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About SunPower Corp.

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 <http://www.sunpowercorp.com>. SunPower is a majority-owned subsidiary of Cypress Semiconductor Corp. (NYSE: CY).

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Forward Looking Statements

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. The companies use words and phrases such as "would," "will," "expected," and similar expressions to identify forward-looking statements. Forward-looking statements in this press release include, but are not limited to, the companies' plans and expectations regarding: (a) supplying enough power to serve an approximate number of residential electricity customers; (b) delivering an average amount of clean, renewable electricity annually; (c) beginning power delivery, completing construction and being fully operational at the identified sites by certain dates; and (d) incorporating certain equipment into the projects. These forward-looking statements are based on information available to the companies as of the date of this release and management's 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, including potentially resulting in the projects being delayed or canceled. Such risks and uncertainties include a variety of factors, some of which are beyond the companies' control. In particular, risks and uncertainties that could cause actual results to differ include (i) construction difficulties or potential delays in the project implementation process, including transmission access and upgrades; (ii) unanticipated delays or difficulties securing necessary permits, licenses or other governmental approvals, including approval of the contracts by the California Public Utilities Commission; (iii) inability to effect federal and state legislative changes necessary for the construction of the projects, including extending the federal investment tax credit and enacting state property tax exemptions relevant to the projects; (iv) inability of OptiSolar or SunPower to secure sufficient third-party financing to complete the projects; (v) the risk of continuation of supply of products and components from suppliers; (vi) unanticipated problems with deploying the system on the sites; (vii) actual electricity generation, (viii) the actual energy consumption rate; and (ix) other risks described in the SunPower's Quarterly Report on Form 10-Q for the quarter ended June 29, 2008, and other filings with the Securities and Exchange Commission. These forward-looking statements should not be relied upon as representing the companies' views as of any subsequent date, and the companies are 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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