

Annual Letter

January 12, 2009

Dear CPV Consortium Members:

It is a pleasure to be writing the first *CPV Consortium Annual Letter*. As we've worked on the creation of this organization since mid-2007, at times it seems like it has been with slow progress. However, as an industry we are doing something that I haven't seen done before, and that is creating an organization to help create the industry. Whereas most industry organizations are formed when there are many players in the industry and significant revenue, we have taken on the challenge of building an organization with many young companies. From that perspective, I believe we have actually moved quickly and succeeded in our first goal of establishing this organization, with membership bridging most areas of CPV technology and with global representation.

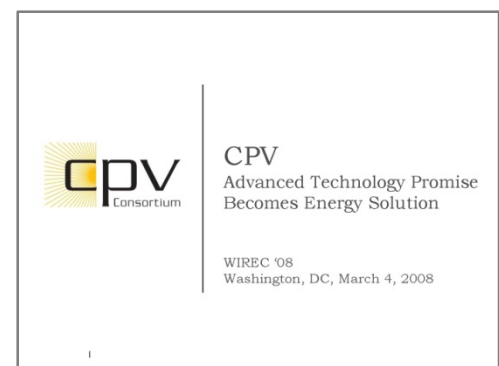
It has been my pleasure to serve as the first Chairman/Director of the CPV Consortium. In that position I wanted to provide for all of you a recap on the past year and our outlook for activities in 2009.

2008 in Review

The CPV Consortium, while in conceptual development for the past 18 months, was officially incorporated as a non-profit organization in August of 2008. Concentrix, Isofoton, ISFOC, Emcore, and SolFocus were the driving organizations during that 18-month development phase, leading the formation of the group and soliciting industry support and involvement. The founding members have formed the initial Board of Directors; however, there will be additional seats to be voted on in the first quarter of this year.

The CPV Consortium held several activities in 2008.

WIREC'08: At WIREC'08 (Washington International Renewable Energy Conference) held in Washington, DC in March 2008, the CPV Consortium held a special session provided by the conference for non-profit groups with a goal of educating attendees on various areas. This session titled "CPV – Advanced Technology Promise Becomes Energy Solution" was required to be strictly informational and not promotional. Nancy Hartsoch



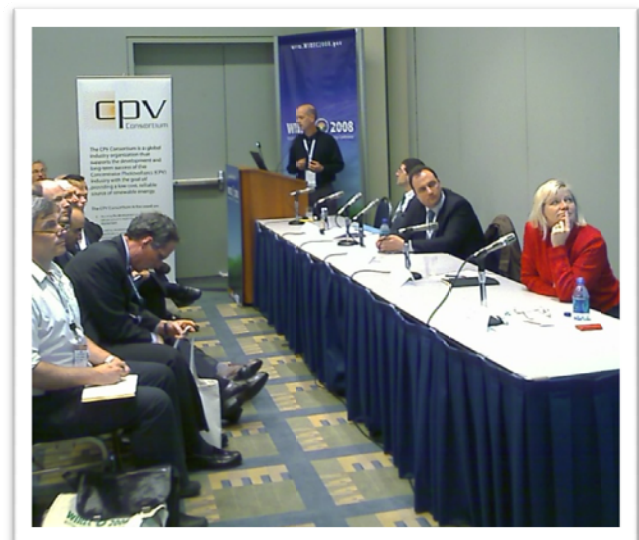
(SolFocus) provided the welcome and introduction to the CPV Consortium. Daniel Freidman from NREL talked about the challenges and opportunities for CPV. Isofoton's Vicente Diaz discussed commercial deployment of the technology, and industry consultant John Trail introduced LCOE as an ideal metric for driving solar energy to grid parity. The room was sized for 60, and we had over 90 in attendance with a standing-room-only crowd filling the room and spilling into the hall. Attendees included companies from the CPV industry, investors, analysts, and researchers. With the limited promotion which was allowed by the conference, we were surprised and very pleased to have this program draw the largest crowd (shown photos right) of any of the informational seminars.

CPV Summit: At the first CPV Summit, held in Madrid Spain April 1-2, the Consortium presented to the general session the concept for the consortium and an invitation to informational meetings. Informational and planning meetings were held both days of the conference, with interest in the organization and its charter at a much higher level than in earlier discussions. Having been at most organizational meetings, I have to say it was at the CPV Summit when the founders felt that the organization now had "pull" for its objectives, and that the pioneering members weren't "pushing" for interest.

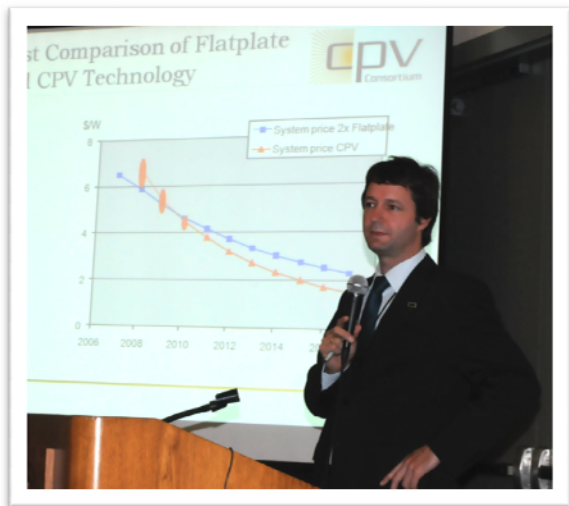
European Photovoltaics Conference: The CPV Consortium held an informational meeting and its first in-person Board of Director's meeting at the European Photovoltaics Conference in Valencia, Spain in September. At this meeting, the organization's membership agreement, by-laws, and structure were finalized. Nancy Hartsoch was asked to serve as the organization's director and chairman for the first year. New members were signed at the informational meetings as well.

CPV 101 Workshop, Solar Power International: Organizers of the Solar Power International Conference, held this year in San Diego, California in October, asked the CPV Consortium to develop and staff a four-hour workshop on CPV technology. The curriculum was targeted at individuals who had a very base understanding of CPV technology at best, and was organized to provide an overview of CPV including all major elements in the technology. Consortium director Nancy Hartsoch welcomed

Agenda		CPV Consortium
Welcome and Introduction		Nancy Hartsoch VP Marketing, SolFocus
Technology Challenges and the Opportunities for CPV		Daniel Freidman Manager CPV Group, NREL
Commercial Deployment of CPV Technology		Vicente Diaz Luque Manager PV Business Unit, Isofoton
CPV's Place in the New Energy Future		Nancy Hartsoch
The LCOE Metric: Driving Solar Energy to Grid Parity and Beyond		John Trail Trail Consulting
Discussion/Q&A		



attendees and provided an overview of the Consortium. Martha Symko-Davies of NREL moderated the workshop for the Consortium, and opened with NREL's view on the CPV industry including market readiness and technology status. III-V cell technology was explained and discussed in terms of technical status and future direction for the industry from that perspective. Three CPV system suppliers including Concentrix, Isofoton, and SolFocus formed a panel to present the various aspects of the system technology including the how's, where's, advantages, etc. Since it was not possible within this time frame and location to tour a CPV power field, the Consortium assembled a video which gave attendees a virtual tour of various CPV deployments around the globe. ISFOC concluded the workshop with a discussion of implementing the first major CPV power plant. Attendees paid the conference an additional \$200 above their standard fees for participation in the workshop. Maximum space was 80, and the workshop was sold out two weeks prior to the event.



ICSC-5: The CPV Consortium held a Board of Director's Meeting, Informational Meeting, and first Membership Meeting in Palm Desert, California in conjunction with the ICSC-5 Conference. While many members were not attending the conference, we were able to gather about 12 members including representatives of the Board of Directors to review planned activities, discuss priorities and working groups, and get things moving for a very active 2009 for the organization. The structure of committees and working groups will be discussed under the organizational section of this annual letter.

Video and Website: The base CPV Consortium website was launched in September. Today it provides basic information on the organization including the membership application. Expansion of the website will be an activity in early 2009. As mentioned earlier, a "virtual tour" video was assembled in October. It is available to all members for use as needed. Raw footage can also be made available for press, analysts and membership use. The marketing group plans to expand the video in 2009 and produce additional documents for promotional and educational purposes. As members, please don't hesitate to

take advantage of these pieces for your own use.

Organizational Structure and Membership

The CPV Consortium Board of Directors today includes the five founding members, with three open seats to be voted in February 2009. The Board of Directors, Steering Committee, and General Membership as of today are summarized below.

BOARD OF DIRECTORS		Representing
Nancy Hartsoch	Chairman/Director	SolFocus
Vincente Diaz	Vice Chairman	Isofoton
Patrick Park	Treasurer	Emcore
Pedro Banda	Secretary	ISFOC
Hansjörg Lerchenmüller		Concentrix
Open Seat TBD		
Open Seat TBD		
Open Seat TBD		

STEERING COMMITTEE (Founding/Charter Members)	Represented By
SolFocus	Nancy Hartsoch
Isofoton	Vincente Diaz
Emcore	Patrick Park
ISFOC	Pedro Banda
Concentrix	Hansjörg Lerchenmüller
3M	Jan Hildebrandt
Arima EcoEnergy Technologies Corp.	Howard Chou
AXT, Inc.	Wilson W. Cheung
Azur Space Solar Power GmbH	Gerhard Strobl
Veeco Instruments, Inc.	Sudhakar Raman

GENERAL MEMBERSHIP	INFORMATIONAL MEMBERS
All Steering Committee Members	Xandex, Inc.
Curamik Electronics Inc.	Solar Junction, Inc.
Pasan SA	SolarTec ,AG
Umicore	Semprius, Inc.
Fraunhofer Institut für Solare	Oliver Mayer
National Renewable Energy Laboratory (NREL)	Jiangsu White Rabbit Kechuang New Energy
University of California Merced	Huneed Technologies
Universidad Politécnica de Madrid	DuPont de Nemours International SA
Sol3G	ISER S.L.
PARU Co. Ltd.	Soltec Energias Renovables, S.L.

Working Groups: We have established two work groups within the CPV Consortium – the *Technical* work group and the *Marketing* work group. Dr. Pedro Banda is heading up the Technical Work Group, and Nancy Hartsoch is temporarily heading up the Marketing Work Group with a new chairperson to be appointed by the end of the month. In November it was requested that all companies in the general membership submit names of representatives from their companies for these committees. About half of our members have done so and we plan to have the first committee meetings prior to the end of the month.

2009 Schedule and Events

Jan. 21	Steering Committee Meeting	8:00 am (PST)	Web Meeting
Feb. 3	General Membership Meeting (Election of Open Board Seats)	TBD	CPV Summit, San Diego, CA (web also)
Feb. 18	Steering Committee Meeting	8:00 am (PST)	Web Meeting
Mar. 18	Steering Committee Meeting	8:00 am (PST)	Web Meeting
Apr. 22	Steering Committee Meeting	Date may be adjusted to fit April CPV Summit Meeting, Madrid	
May 28	General Membership Meeting	TBD	Intersolar, Munich, Germany
June 17	Steering Committee Meeting	8:00 am (PST)	Web Meeting
July 22	Steering Committee Meeting	8:00 am (PST)	Web Meeting
Sept. 23	General Membership Meeting Election of Officers	TBD	European PV Conference Hamburg, Germany (web also)
Oct. 20	Board of Directors Annual Meeting	TBD	Solar Power International Anaheim, CA
Nov. 18	Steering Committee Meeting	8:00 am (PST)	Web Meeting

Work Group Meetings: Monthly or as determined by work group chairpersons. Separate schedule will be released by each work group chairperson based on work group and subcommittee activities and requirements.

Other News

Administrator for CPV Consortium: As of January 11, 2009 the CPV Consortium has a dedicated Administrator who will be responsible for managing the membership, activities, and committee work for the group. Louise Newnan received her bachelor's degree from San Jose State in Psychology, and her MBA from the University of Santa Clara. She has nine years of experience in marketing, promotion, and project management, all of which will bring great value to our organization. Beginning later this week Louise will be the voice you hear when you dial our number, and the one who will be reminding you when deadlines are upon us, meetings are coming, etc. She will also be responsible for managing the website in cooperation with the Marketing Work Group. You will hear from her shortly as she begins pulling everything together and making us a faster paced and more efficient organization.

Membership Drive: One of the first activities of Administrator Louise Newnan will be to launch this year's membership drive. She will be soliciting support and communication from current members as she begins this effort with a goal of 50 members by the end of the first quarter.

In concluding let me say that I believe we have made good progress in 2008, but the CPV industry is just beginning to get momentum. Now is the time to move quickly as an organization and get our work groups going on the key agenda items ahead of us.

Sincerely,

A handwritten signature in black ink that reads 'Nancy Hartsoch'.

Nancy Hartsoch
CPV Consortium, Chairman and Director