



June 5, 2013

## **50MW Power Purchase Agreement Approved for Largest Solar Power Plant in New Mexico**

TEMPE, Ariz. & SANTA FE, N.M.--(BUSINESS WIRE)-- First Solar, Inc. (Nasdaq: FSLR) and New Mexico State Land Commissioner Ray Powell announced today that First Solar, Inc. has been granted a power purchase agreement (PPA) from the New Mexico Public Regulatory Commission, clearing the way for First Solar to begin construction on the state's largest solar power plant to be located on State Trust Land in Luna County. The PPA will provide El Paso Electric Power with 50MW of solar energy for 20 years.

"This 50 megawatt solar power project will provide about 300 jobs during the construction phase, which is a huge boost to New Mexico's ailing construction industry, and it will provide a constant stream of revenue for our public schools, universities and hospitals," said State Land Commissioner Ray Powell. "This project will provide clean, efficient solar power to El Paso Electric service territory customers, and the lease payments could generate as much as \$40 million for state land trust beneficiaries over the 40-year term of the lease."

The solar array will realize immediate and very significant water savings over gas-fired or coal-fired generating plants and will also have zero air emissions. The proposed Macho Springs solar power plant will generate enough clean energy to power more than 18,000 average New Mexico homes, which use about 669 kilowatt hours of electricity per month. The project will displace more than 40,000 metric tons of CO<sub>2</sub>, the equivalent of taking 7,500 cars off the road, and will displace water consumption annually (more than 340,000 metric tons).

First Solar has submitted its final development plan that provides a site plan and specific mitigation plans and strategies, and is obtaining various construction permits. Once approved, construction is expected to begin in July.

"We are very pleased to support El Paso Electric's efforts to provide clean, reliable, renewable power to its customers, and contribute economic benefits and green jobs created by utility-scale solar development to Luna County," said Michael Hatfield, First Solar Director of Project Development.

Other proposed benefits of the project to the local and regional economy include millions of dollars in direct and indirect economic benefits, as well as three operations and maintenance jobs when the solar plant is completed.

"We look forward to working with First Solar on this historic and very important renewable energy project that will benefit all El Paso Electric customers and the region," said Tom Shockley, El Paso Electric Chief Executive Officer. "We're grateful the New Mexico State Land Commissioner shares our commitment to renewable energy."

El Paso Electric Company will purchase the entire output power from the Macho Springs solar power project through a purchase power agreement with First Solar. This project was secured by El Paso Electric through an all-source competitive Request for Proposal process conducted in 2011. The project will operate on a commercial lease from the State Land Office on about 500 acres of land at Macho Springs, near Deming. First Solar also has an interconnection agreement with El Paso Electric.

### **About the New Mexico State Land Office**

*The New Mexico Commissioner of Public Lands is an elected state official responsible for administering the state's land grant trust. Thirteen million acres of land were granted to New Mexico in 1898 and 1910. Each tract is held in trust for the public schools, universities, as well as special schools and hospitals that serve children with physical, visual, and auditory disabilities. In fiscal year 2012, the trust lands and permanent funds produced a record amount of \$650 million in income for the beneficiaries.*

### **About El Paso Electric**

*El Paso Electric is a regional electric utility providing generation, transmission and distribution service to approximately 384,000 retail and wholesale customers in a 10,000 square mile area of the Rio Grande valley in west Texas and southern New Mexico. El Paso Electric has a net dependable generating capability of 1,785 MW. El Paso Electric's common stock trades on the New York Stock Exchange under the symbol EE.*

## **About First Solar**

*First Solar is a leading global provider of comprehensive photovoltaic (PV) solar systems which use its advanced module and system technology. The company's integrated power plant solutions deliver an economically attractive alternative to fossil-fuel electricity generation today. From raw material sourcing through end-of-life module recycling, First Solar's renewable energy systems protect and enhance the environment. For more information about First Solar, please visit [www.firstsolar.com](http://www.firstsolar.com).*

## **For First Solar Investors**

*This release contains forward-looking statements which are made pursuant to the safe harbor provisions of Section 21E of the Securities Exchange Act of 1934. The forward-looking statements in this release do not constitute guarantees of future performance. Those statements involve a number of factors that could cause actual results to differ materially, including risks associated with the company's business involving the company's products, their development and distribution, economic and competitive factors and the company's key strategic relationships and other risks detailed in the company's filings with the Securities and Exchange Commission. First Solar assumes no obligation to update any forward-looking information contained in this press release or with respect to the announcements described herein.*

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