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SAS solar wafer capacity running short of demand; secures more polysilicon

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Sino-American Silicon Products (SAS) is said to see its solar wafer capacity running short of demand. Amid strong orders, the company is expected to expand capacity, as well as secure additional polysilicon.

SAS announced that it has secured a seven-year long polysilicon contract with DC Chemical (DCC). Under the new polysilicon contract, DCC will supply SAS with US$608 million worth of silicon from 2010.

SAS' utilization rate at its furnace for mono-crystalline wafer production peaked in June, prompting the company to either expand capacity at its Hsinchu site, or add capacity at its subsidiary, industry players noted. The company may also add some mono-crystalline solar wafer capacity at its second Hsinchu site, the plant that is under construction and is designed mainly for multi-crystalline solar wafer production.

The industry players expect SAS will add approximately 20 new furnaces for 6-inch solar wafer production. By adding the new capacity, SAS will house a total mono-crystalline solar wafer capacity of 80-100 peak megawatt (MWp), they estimate. SAS responded that it has not yet decided on its expansion details.

Strong demand is driven by a leading Taiwan-based solar cell maker, growing orders from Japanese customers and OEM orders from Korean customers, the industry players said. Since most of these orders are inked on a long-term contract basis, they expect SAS to see its mono-crystalline solar wafer capacity fully booked over the next 12 months.

In related news, industry sources noted that SAS is the mono-crystalline solar wafer supplier of SunPower. SunPower and Toshiba have recently announced that they would partner on the deployment on solar-power systems, with Toshiba aiming to grab a 10% share in Japan, according to a Japanese-language *Nikkei* report.

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