

Buffet makes major move into solar

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In a long-anticipated move, legendary American investor Warren Buffet has taken a major stake in the [solar sector](#), according to Bloomberg.

After taking slow steps into the [renewable sector](#) in recent years, with the purchase of several [wind farms](#) and Chinese electric car manufacturer BYD, *Buffet's Iowa-based MidAmerican Energy Holdings has agreed to purchase a 550-megawatt photovoltaic solar power plant from American solar manufacturer First Solar.*

Though the details of the deal have not been released, projections from First Solar's earlier sales place it at between \$1.65 billion and \$1.95 billion, while other estimates suggest as much as \$2 billion.

The plant, located in sunny southern California, will become one of the world's largest solar plants and is expected to produce enough electricity to power around 160,000 homes, according to Reuters.

"If nothing else, what this does is it tells you that First Solar will be able to sell what it makes, and that certainly is better than any other solar company can say at this point," Jeff Bencik, analyst at Kaufman Bros, told Reuters.

Analysts suggest that a major incentive for Buffett's move into solar was likely the continued government support as opposed to wind, which is set to see its subsidies expire.