
Financing Wind



Overview

- Market
- Project promoters
- Project phases and associated finance availability
- SA context

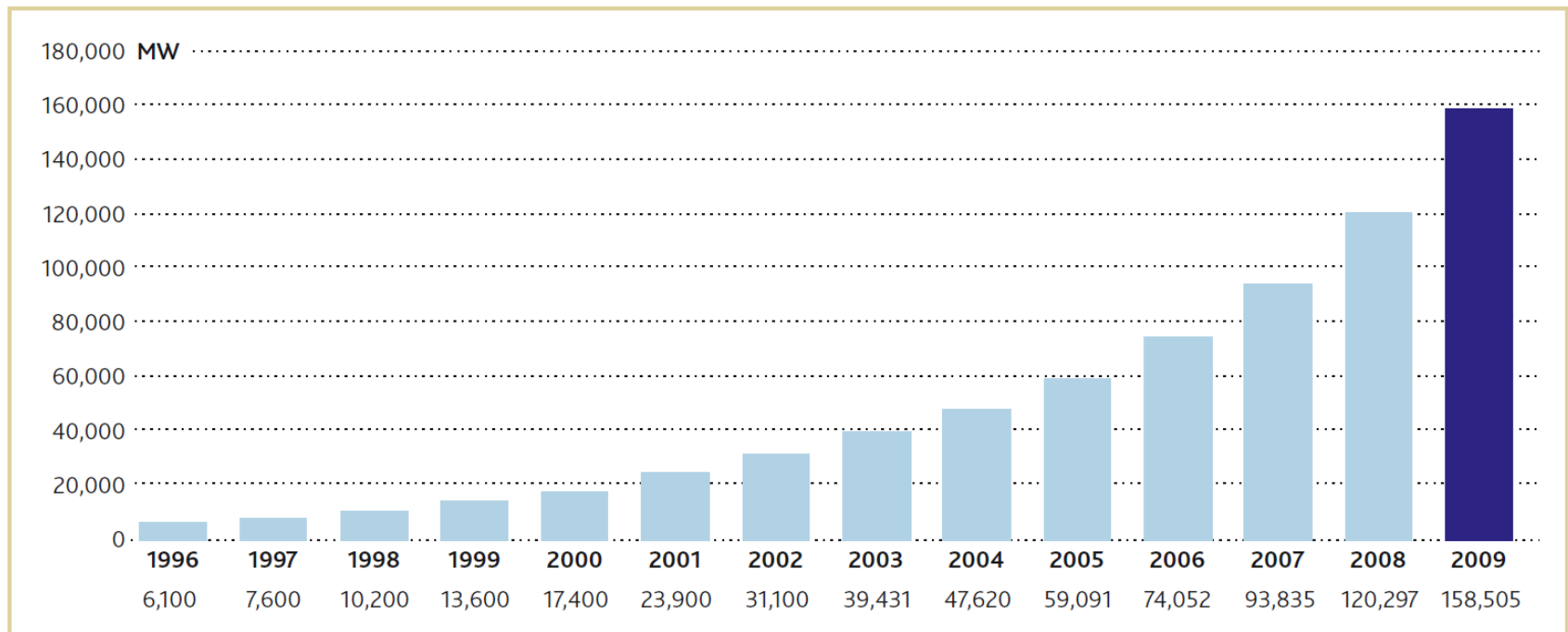


Global investment in Wind power in 2009

\$67 billion, 56 % of RE invest

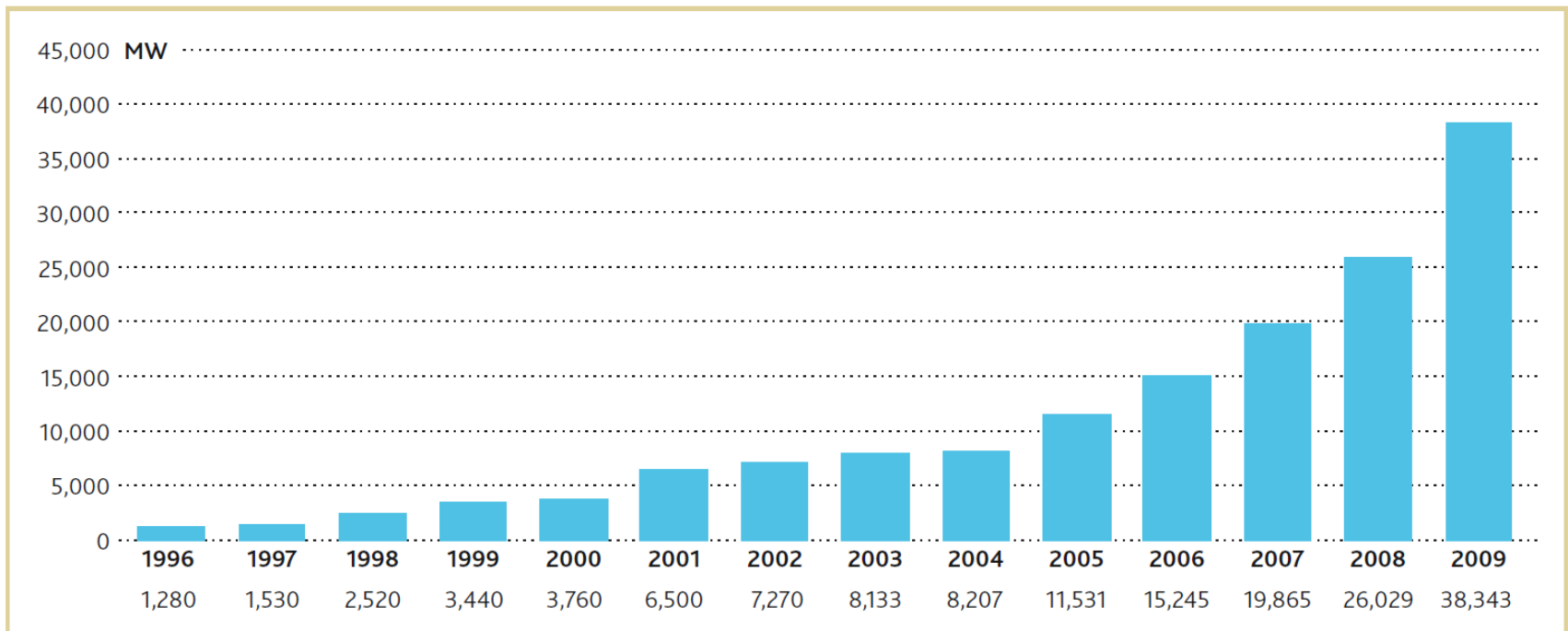
Market overview

GLOBAL CUMULATIVE INSTALLED CAPACITY 1996-2009



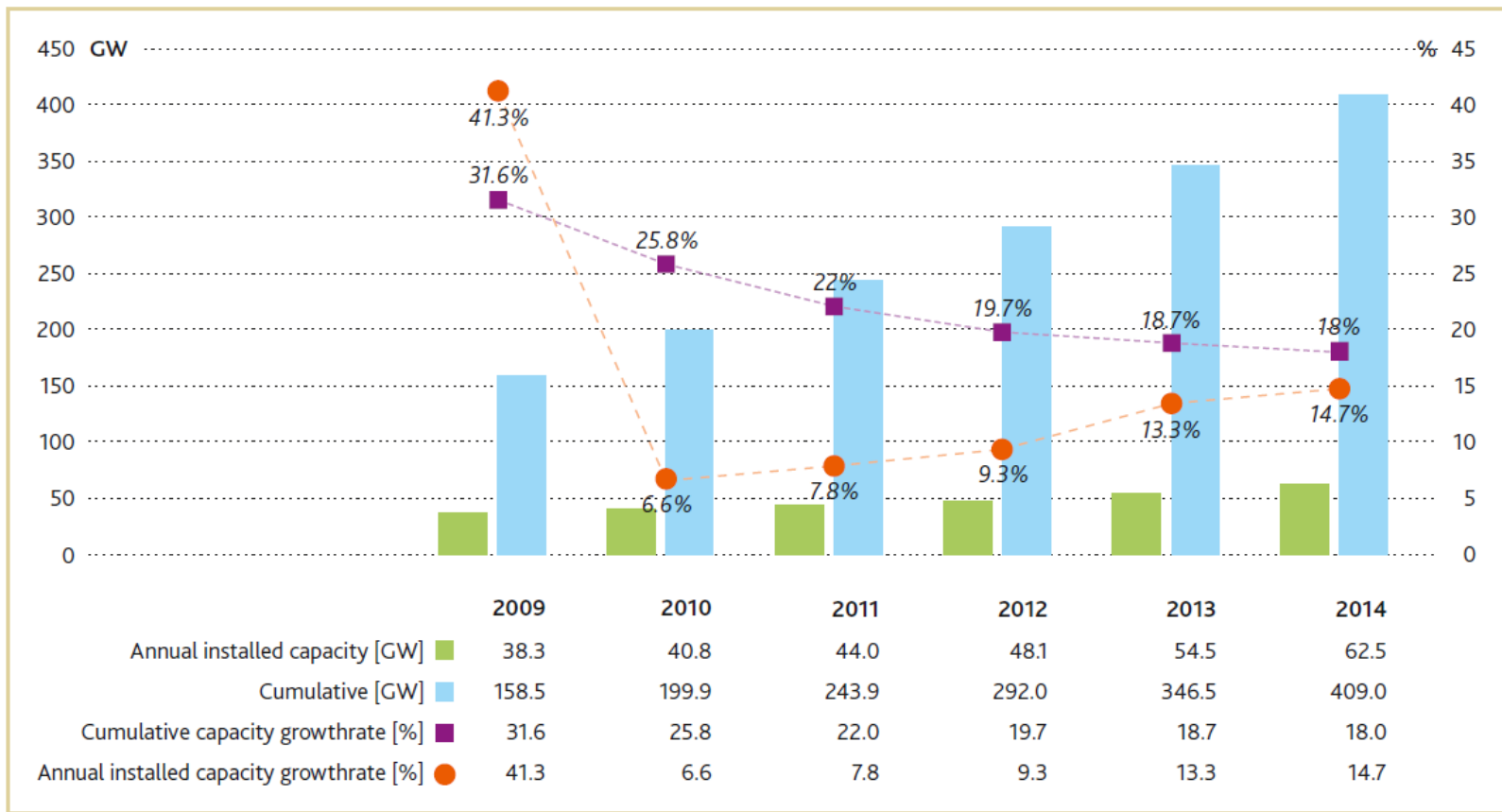
Market overview

GLOBAL ANNUAL INSTALLED CAPACITY 1996-2009



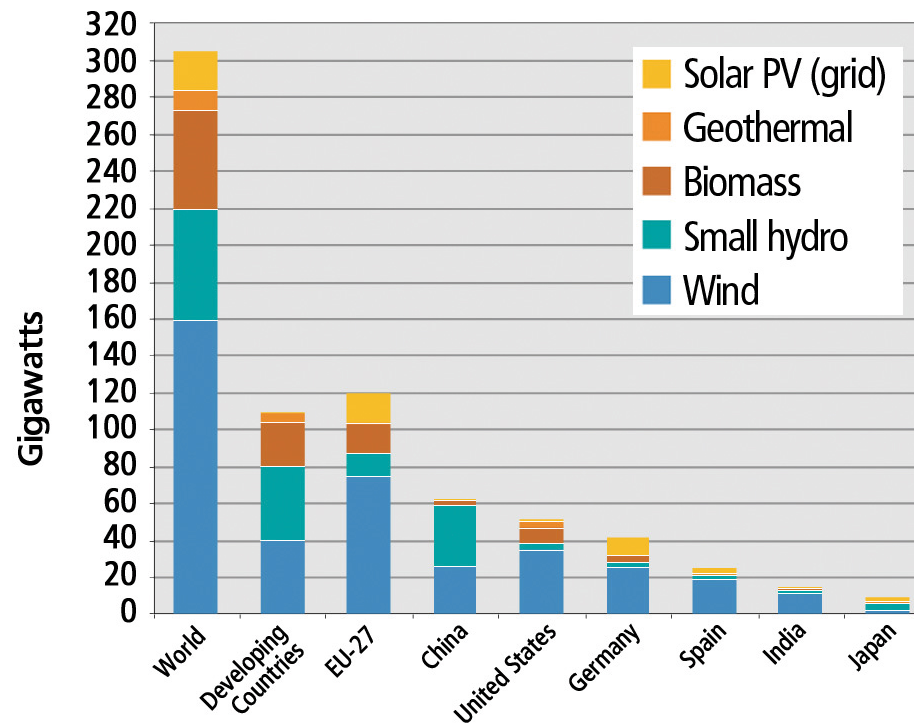
Market overview

MARKET FORECAST 2010-2014



Comparative market overview

Figure 4. Renewable Power Capacities:
Developing World, EU, and Top Six Countries, 2009



Note: Only includes small hydropower < 10 MW

Project promoters

- Developer/Entrepreneur
- Land owner/community
- Utility

Project promoter- Entrepreneur



Project promoter- Community



Project promoter - Utility



Phases in wind investment

Pioneer Stage Investment

- Local manufacture – new technology
- Wind development co. (new entrants)

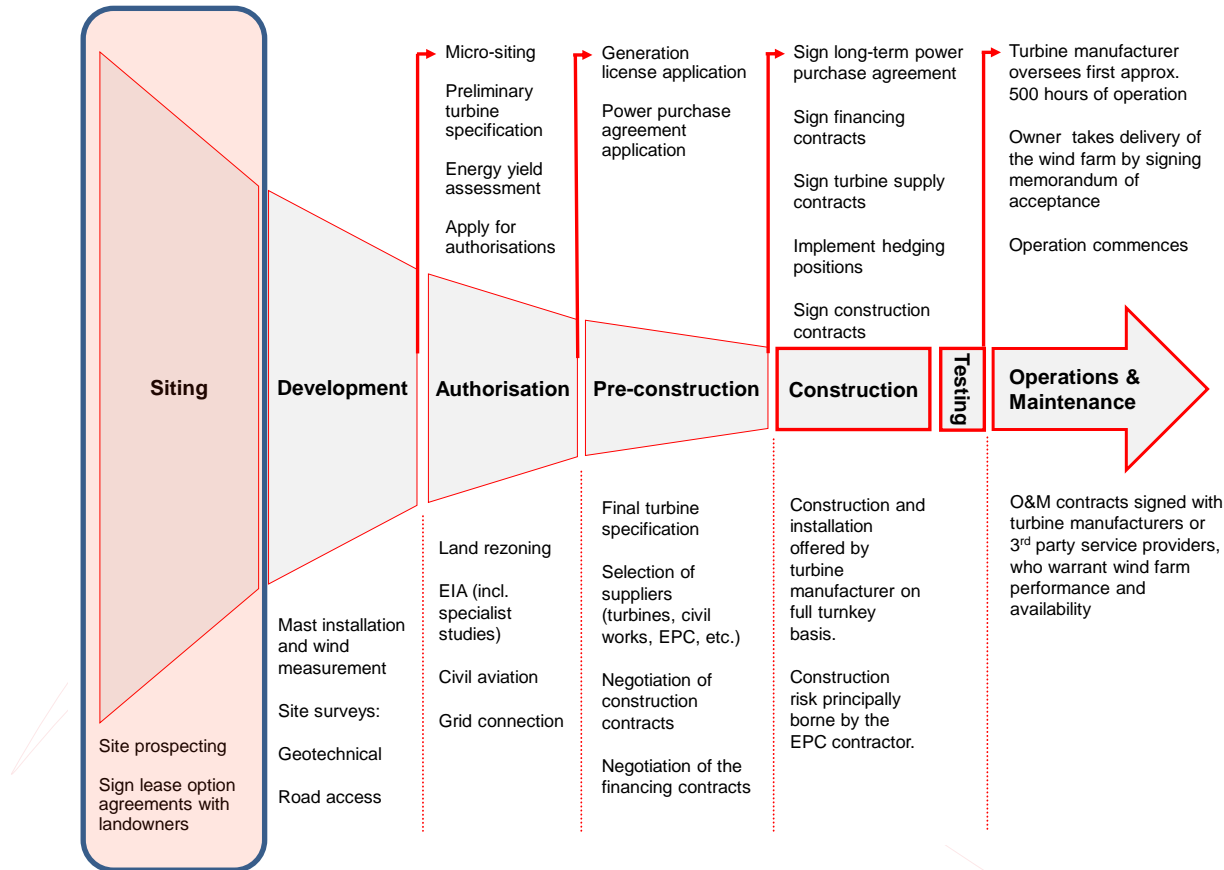
Venture Stage Investment

- Established wind development co.
- Niche markets – Consultants (wind mapping, masts etc), O&M co.

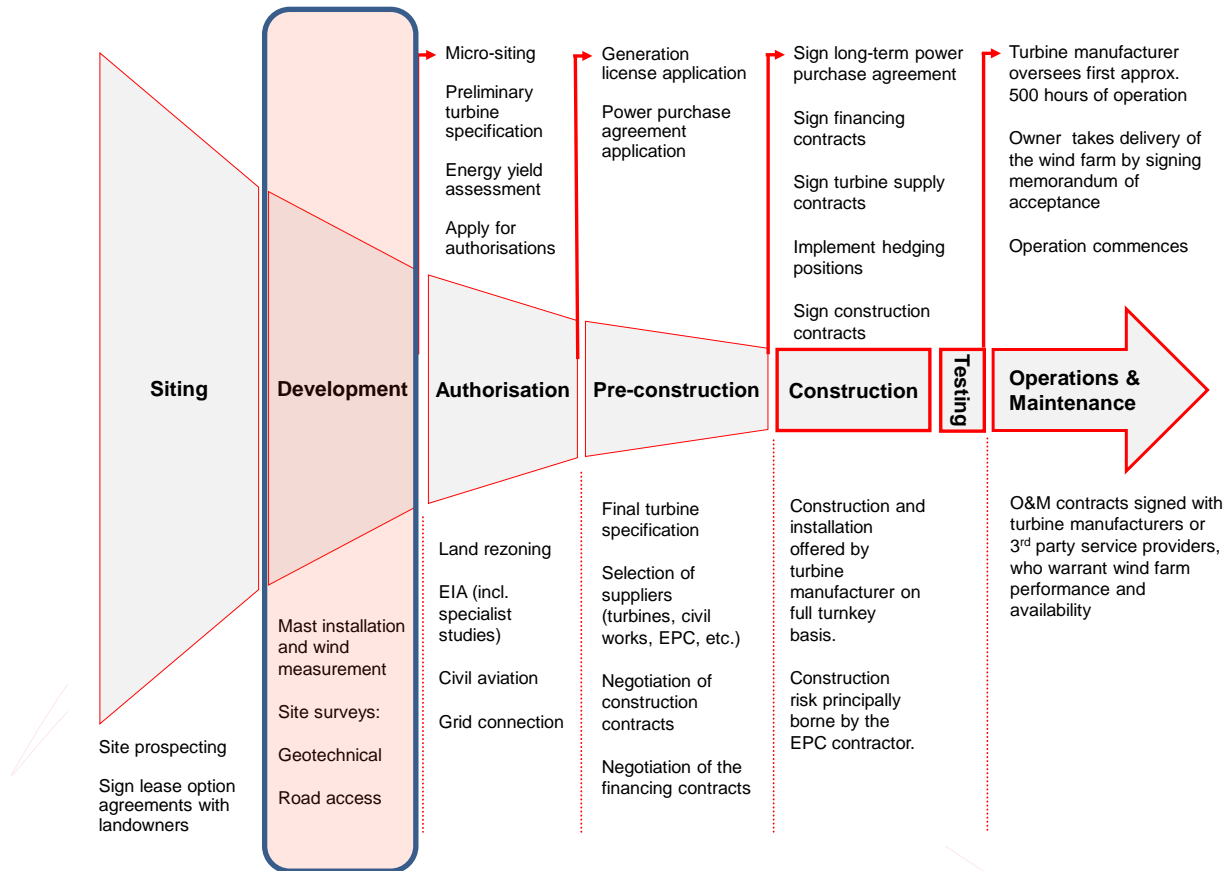
Utility Stage Investment

- Permitted wind farm
- Construction co. (towers)

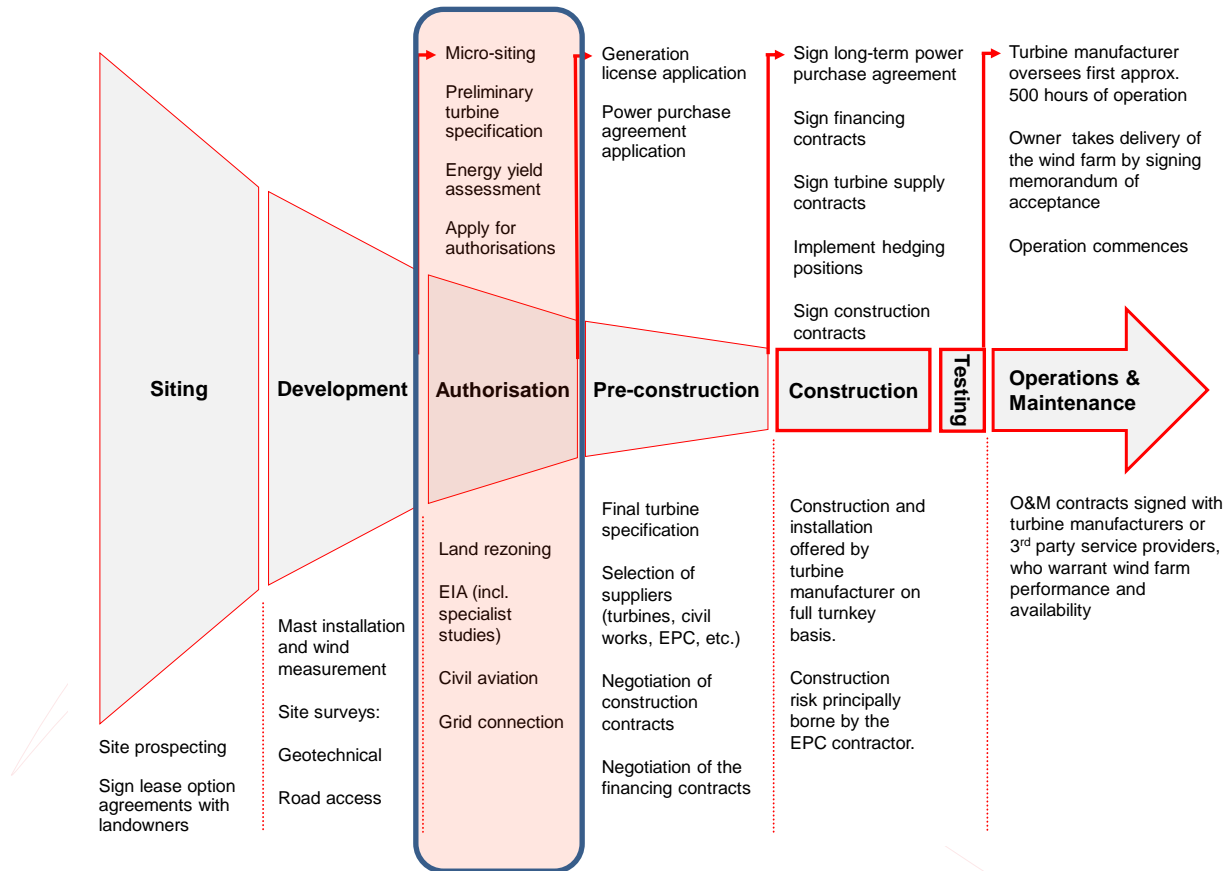
Project phases



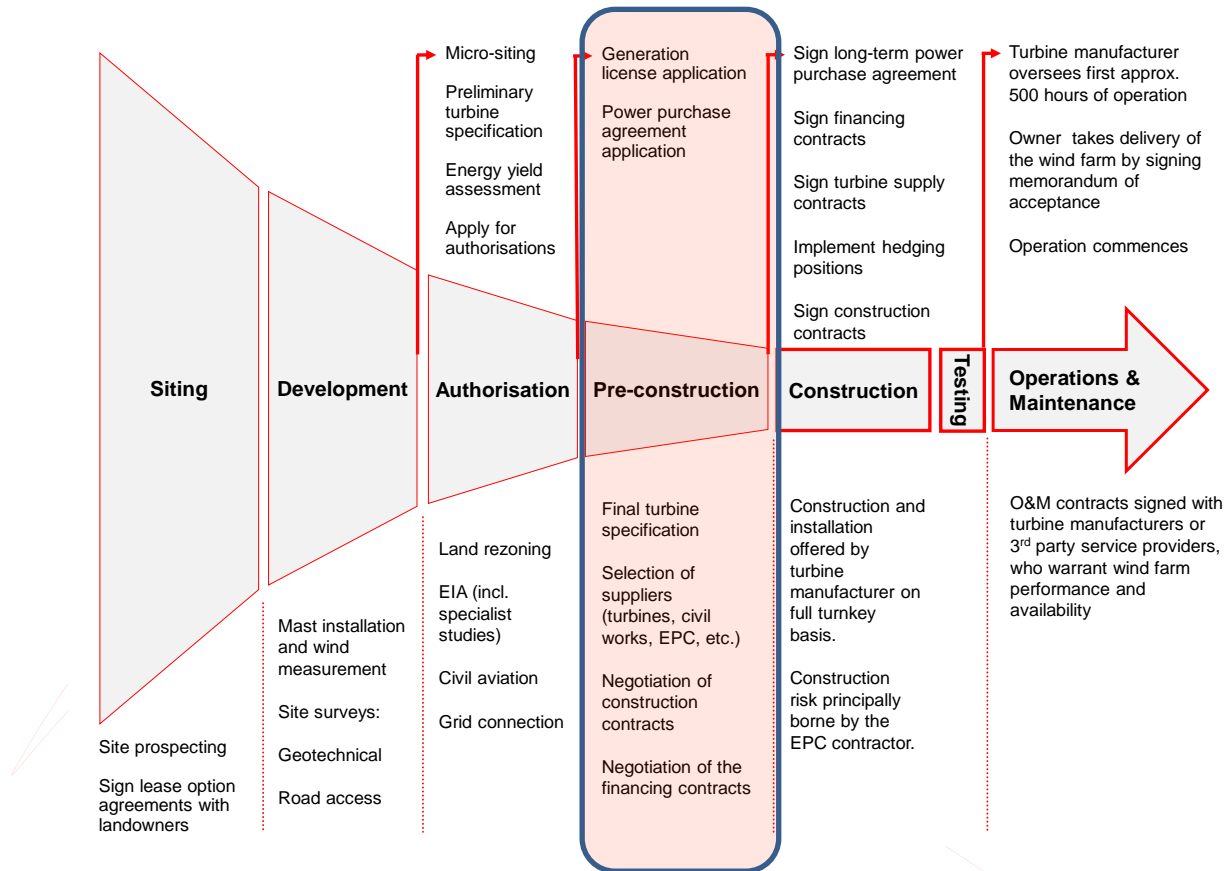
Project phases



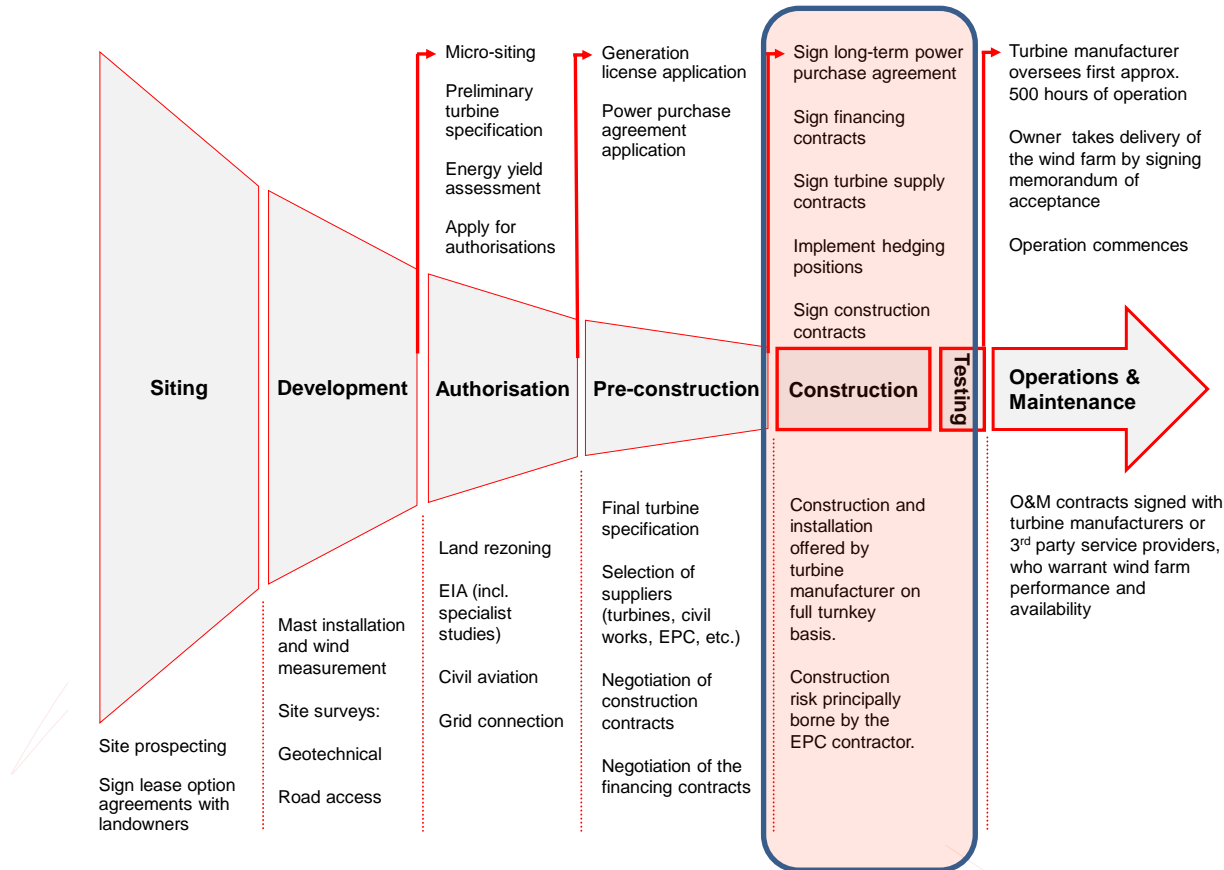
Project phases



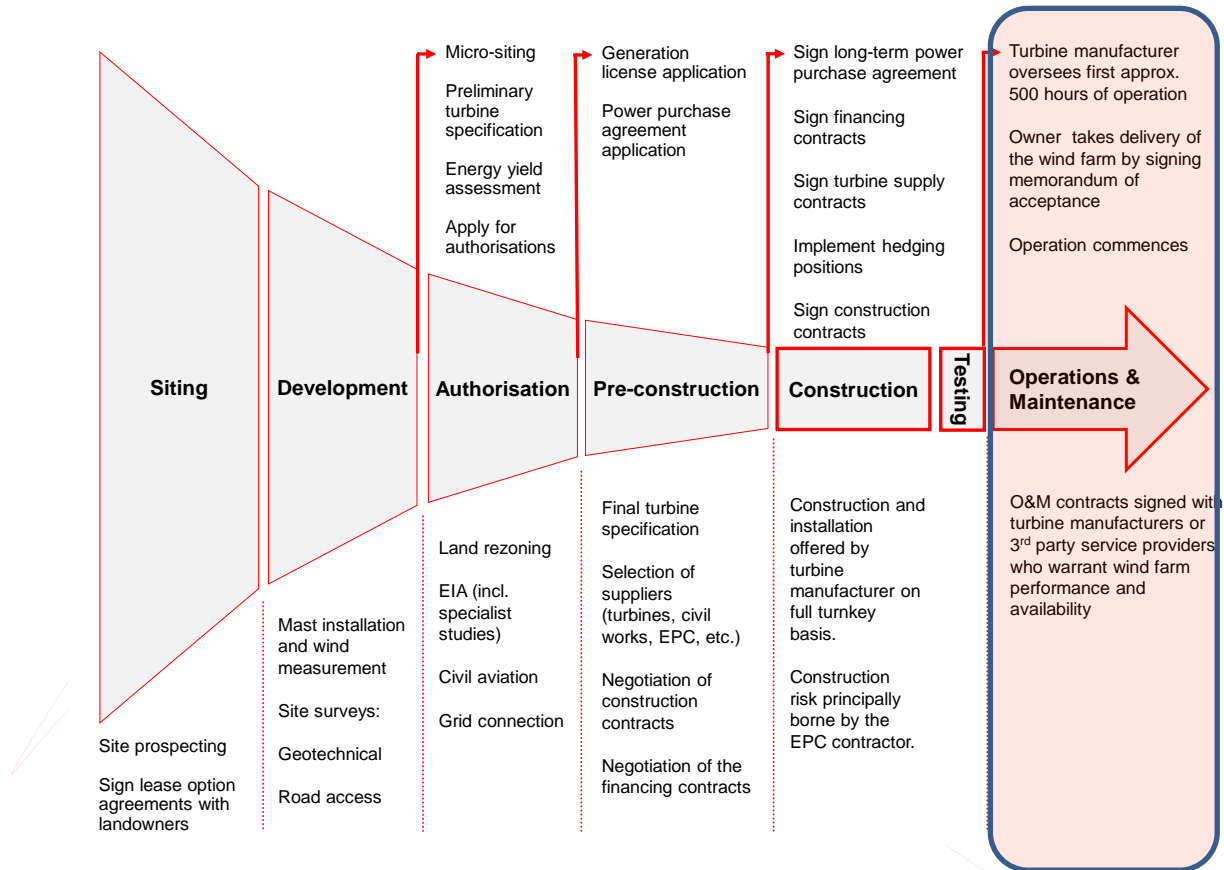
Project phases



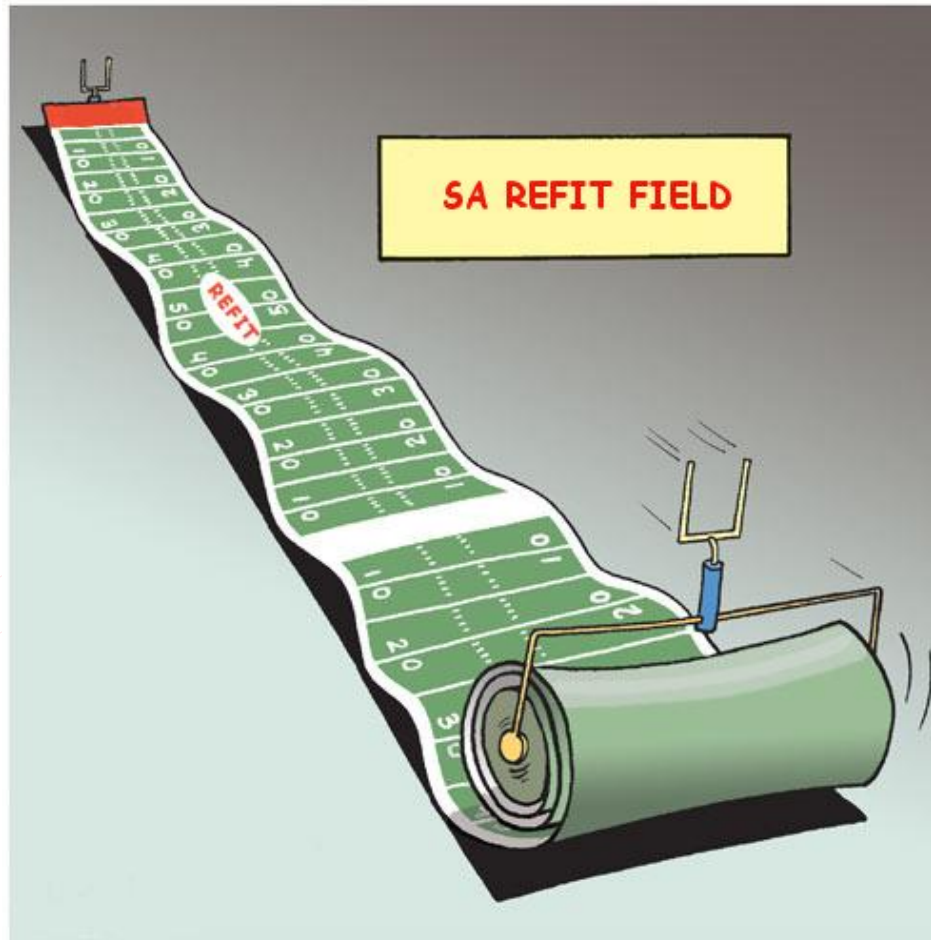
Project phases

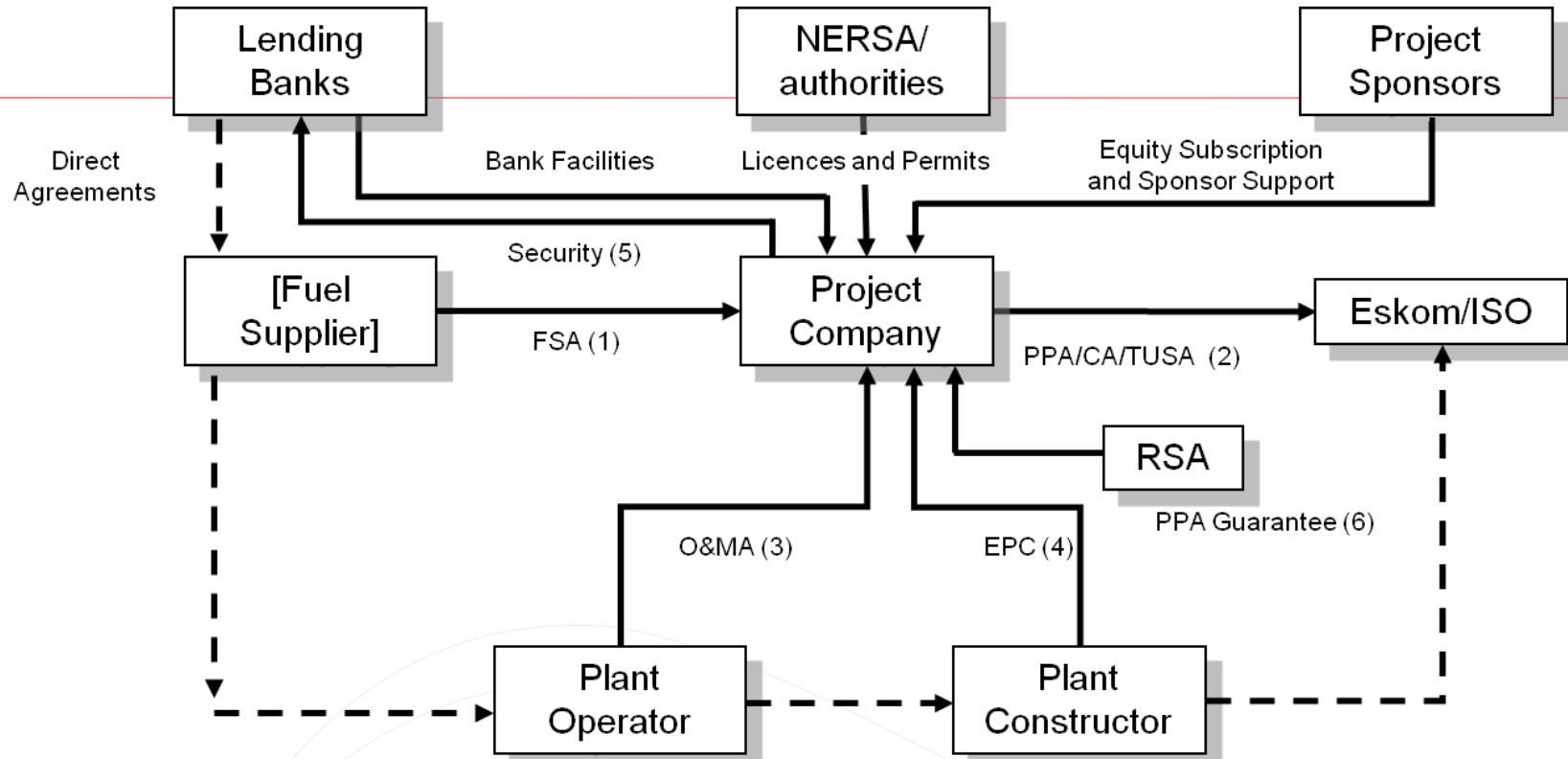


Project phases



SA Context





- (1) Fuel Supply Agreement (where relevant)
- (2) Power Purchase Agreement/Connection Agreement/Transmission & Use of System Agreement
- (3) Operating and Maintenance Agreement
- (4) Turnkey Engineering, Procurement and Construction (EPC) Contract
- (5) This structure chart does not deal with the structure of the security package for the bank facilities
- (6) It has not yet been confirmed that the Offtaker's payment obligations under the PPA will be guaranteed by the South African Government, but this is expected

Conclusion

- Technology mature but market in SA not
- Legislative/policy uncertainty significant β
- Significant opportunity in SA