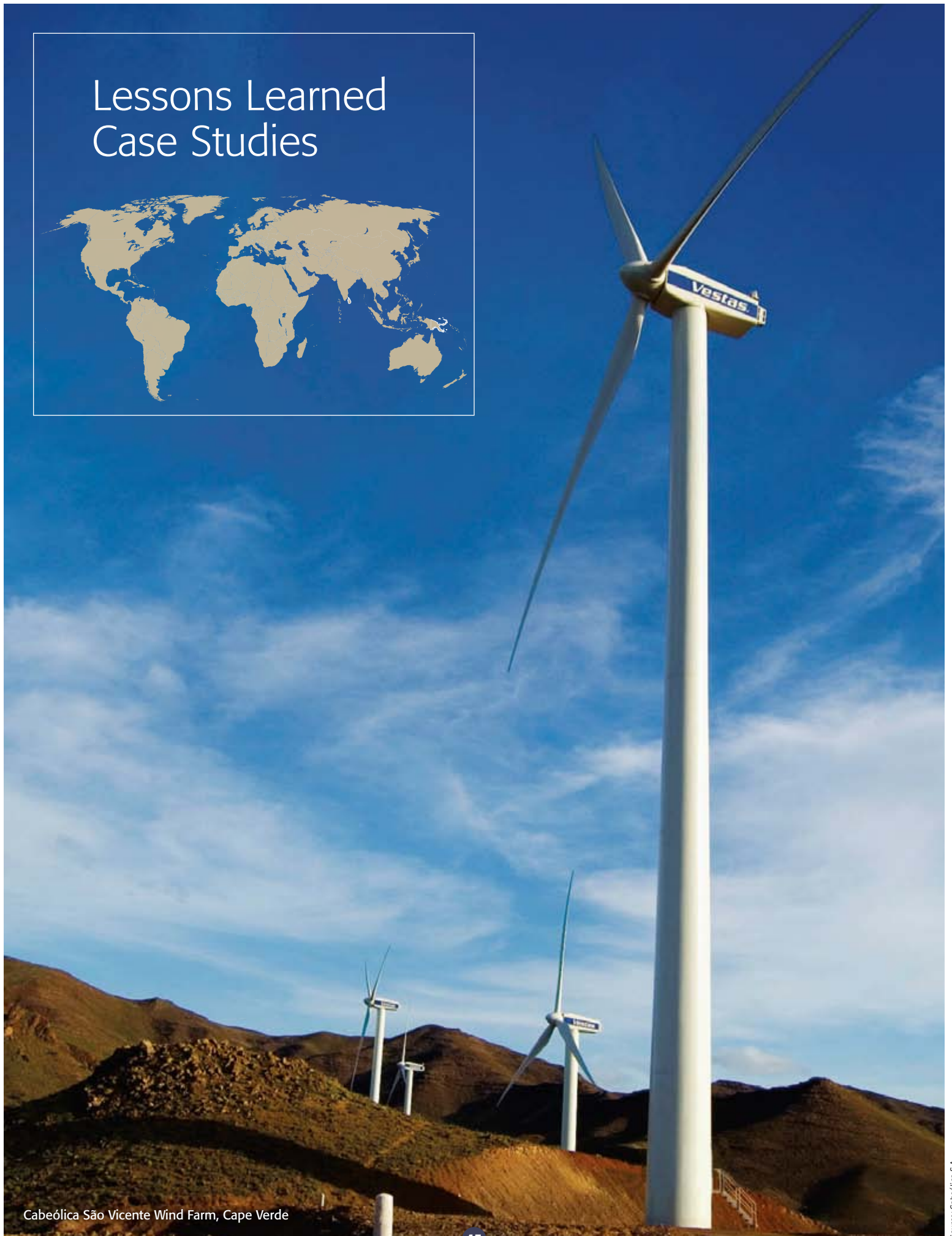


Lessons Learned Case Studies



Cabeólica São Vicente Wind Farm, Cape Verde

Uruguay

LESSONS LEARNED CASE STUDY



THE PROJECT

- The Uruguayan government, through its public utility UTE, has decided to award the construction of 450 MW of wind power capacity.
- UTE and the Uruguayan government would like to further participate in the wind power market, which is considered of strategic interest for the future of the country's electricity supply.
- To this end, UTE plans to tender the construction and operation of up to three onshore wind farms. They will be constructed by private partners and will have a maximum installed generation capacity of 180 MW each.
- After commissioning, UTE will lease the wind farms. The private partners will assume the responsibilities of services and maintenance. After five years, the public utility has the option to buy the farms or to extend the leasing for a further 15 years, at the same time extending the service contracts for a maximum of nine years.
- Contracts will be signed in September 2012.
- Over 790 MW of wind power generating capacity has been awarded in Uruguay since early 2011. These wind farms will be installed as well as operated by private stakeholders through PPA.

PUBLIC-PRIVATE PARTICIPANTS

Public Sector:

- Administración Nacional de Usinas y Transmisiones Eléctricas, UTE

Private Sector:

- To be determined

LESSONS LEARNED

Energy Policies

- Uruguay has put in place a variety of policies to increase the amount of renewable energy, especially wind power and biogas.
- The private sector can participate in different ways. For example, a public-private partnership law exists that is aimed especially at infrastructure projects. In the leasing scheme planned by UTE, tax incentives are in place for the private partners.

Financing

- The wind farms will be financed by the private partners. No special options will be offered for financing the projects, as market conditions are deemed sufficiently attractive.
- However, tax exemptions for project developers do exist.
- Moreover, incentives for early commissioning of the wind farms will be available.

Replicability

- This project is replicable as a whole.

Long-Term Policy Framework

- This is the first leasing scheme in Uruguay in the wind power sector. The experience from this will be valuable for future projects in renewable energy in the country.

CONCLUSIONS

- Uruguay has a high potential for wind power. Moreover, wind power in the country is cheaper than fossil fuels for power generation.
- To reach the target of 30% wind power (60% hydro power, 6% biomass, 4% fossil) in 2015, UTE feels it is necessary to promote this technology further.
- In this respect, the leasing scheme could play an important role, in addition to the already existing possibilities for engaging the private sector.

FOR MORE INFORMATION CONTACT:

Ing. Oscar Ferreño

Gerente de Generación

Administración Nacional de Usinas
y Transmisiones Eléctricas, UTE

Tel.: +598 2 155 2023

oferreno@ute.com.uy

**ABOUT THE GLOBAL SUSTAINABLE
ELECTRICITY PARTNERSHIP:**

Created in the wake of the 1992 Rio Summit, the Global Sustainable Electricity Partnership, formerly e_g, is a non-profit international organization, composed of the top world leading electricity companies, whose mission is to play an active role in the international debate on global electricity issues and to promote sustainable energy development through electricity sector projects and human capacity-building activities in developing and emerging nations worldwide.

For more information visit:
www.globalelectricity.org.

ABOUT UN-ENERGY:

UN-Energy was initiated as a mechanism to promote coherence within the United Nations family of organizations in the energy field and to develop increased collective engagement between the United Nations and other key external stakeholders. Its envisaged role was to increase the sharing of information, encourage and facilitate joint programming and develop action-oriented approaches to coordination. It was hoped that it would develop into a system-wide network open to all and a mechanism by which a range of organizational actors could work with the United Nations to ensure a more coherent approach to addressing energy issues.

For more information visit:
www.un-energy.org.

FOR MORE INFORMATION:

Dr. Luis-Martín Krämer

RWE AG

2011/2012 Chair Company of
the Global Sustainable Electricity Partnership
Public Affairs / Energy Policy

Opernplatz 1
45128 Essen, Germany

Tel: +49 (0) 201/12-16535

Fax: +49 (0) 201/12-15907

Email: Luis-Martin.Kraemer@rwe.com

Adriana Paez

Communications Coordinator

Global Sustainable Electricity Partnership

General Secretariat

505 de Maisonneuve Blvd W., Lobby Level
Montreal QC H3A 3C2 Canada

Tel: +1-514-392-5642

Fax: +1-514-392-8900

Email: paez.adriana@hydro.qc.ca

Ivan Vera, Ph.D.

Senior Sustainable Development Officer

Emerging Issues Branch

Division for Sustainable Development

Department of Economic and Social Affairs

United Nations

Two United Nations Plaza, DC2-2104
New York, NY 10017, USA

Tel: +1 (212) 963-2043

Fax: +1 (212) 963-4340

Email: vera@un.org

Morgan Bazilian, Ph.D.

Special Advisor to the Director-General on Energy

**United Nations Industrial Development
Organization (UNIDO)**

Vienna International Center, D2283
PO Box 300, A-1400 Vienna, Austria

Direct line: +43 (0) 1 26026 3504

Email: M.Bazilian@unido.org

Web: www.unido.org



Global
Sustainable Electricity
Partnership

Global Sustainable Electricity Partnership
General Secretariat

505 de Maisonneuve Blvd. W, Lobby
Montreal QC H3A 3C2
CANADA

Tel.: +1-514-392-8876

Fax: +1-514-392-8900

generalsecretariat@hydro.qc.ca