

## **POZO ALMONTE AND CALAMA SOLAR PV PROJECT**

### **PROJECT ABSTRACT**

The Project consists of the design, construction, operation and maintenance of a 25 MWp photovoltaic solar power plant for the provision of energy to Compañía Minera Doña Inés de Collahuasi (“Collahuasi”) and of the operation and maintenance of a 1MWp photovoltaic solar power plant for the provision of energy to Corporación Nacional del Cobre de Chile (“Codelco”, and together with Collahuasi, “the Offtakers”).

SolarPack Corporación Tecnológica, S.L. (“SolarPack” or the “Sponsor”) was awarded in July 2012 a 20 year power purchase agreement (PPA) by Collahuasi as the result of a tender process for the provision of 60 GWh/year of non-conventional renewable energy (NCRE). In addition, SolarPack has just finished construction of and is operating a 1 MWp solar PV plant to sell energy under a 21-year PPA to Codelco for its Chuquicamata mine operations.

SolarPack will develop the Project through its Chilean subsidiary SolarPack Chile, S.A., and will also provide all engineering, procurement and construction services, as well as the operation, maintenance and asset management services for the Project.

The estimated total cost of the Project is US\$80 million, which will be funded through a combination of equity and debt. Along with loans from IDB and other banks, the Project is seeking financing from the Canadian Climate Fund for the Private Sector in the Americas (C2F), a fund established by the Government of Canada and managed by IDB to catalyze increased private sector investment in climate change mitigation and adaptation.

### **Project benefits**

The most significant developmental effects that will derive from the Project are as follows: a) development of a local energy source to diversify the energy matrix in Chile, which currently relies on imported fuels for 75 percent of its energy capacity, b) demonstration of the successful utilization of a renewable resource to substitute for fossil fuel generation to meet the energy needs of the Chilean mining industry, which currently accounts for 18 percent of total energy consumption and c) a reduction of the carbon footprint of the Collahuasi and Codelco operations. The clean energy generated by the Project is expected to prevent the release of 58,865 tons of CO<sub>2</sub> each year.