

Argentina Market Overview and Opportunities

Sonia de Sales-Lisboa

Country Manager Argentina at Evergreen

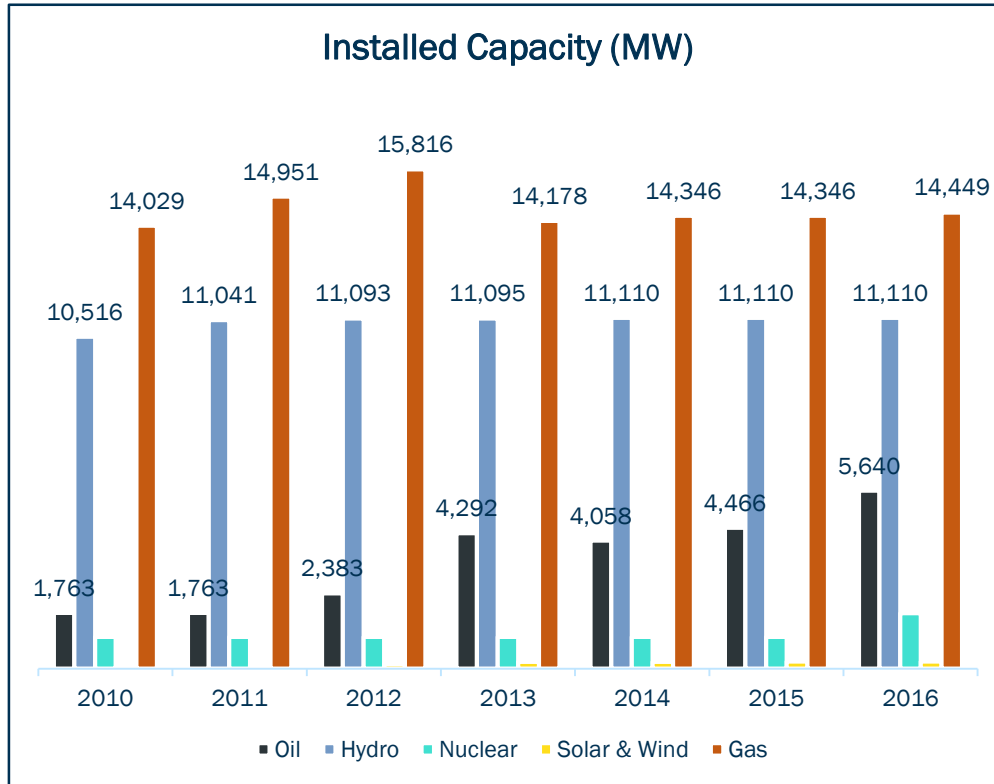
Investment Partners

Board of Directors CADER

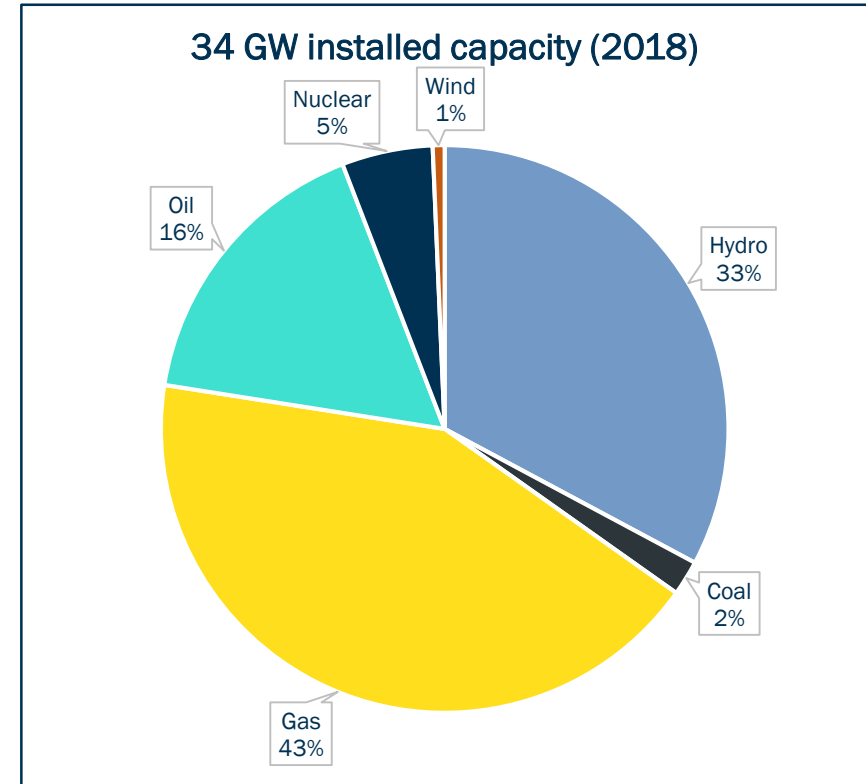
Webinar: La energía renovable en
Argentina

Buenos Aires, Julio 2019

Argentina installed capacity matrix evolution



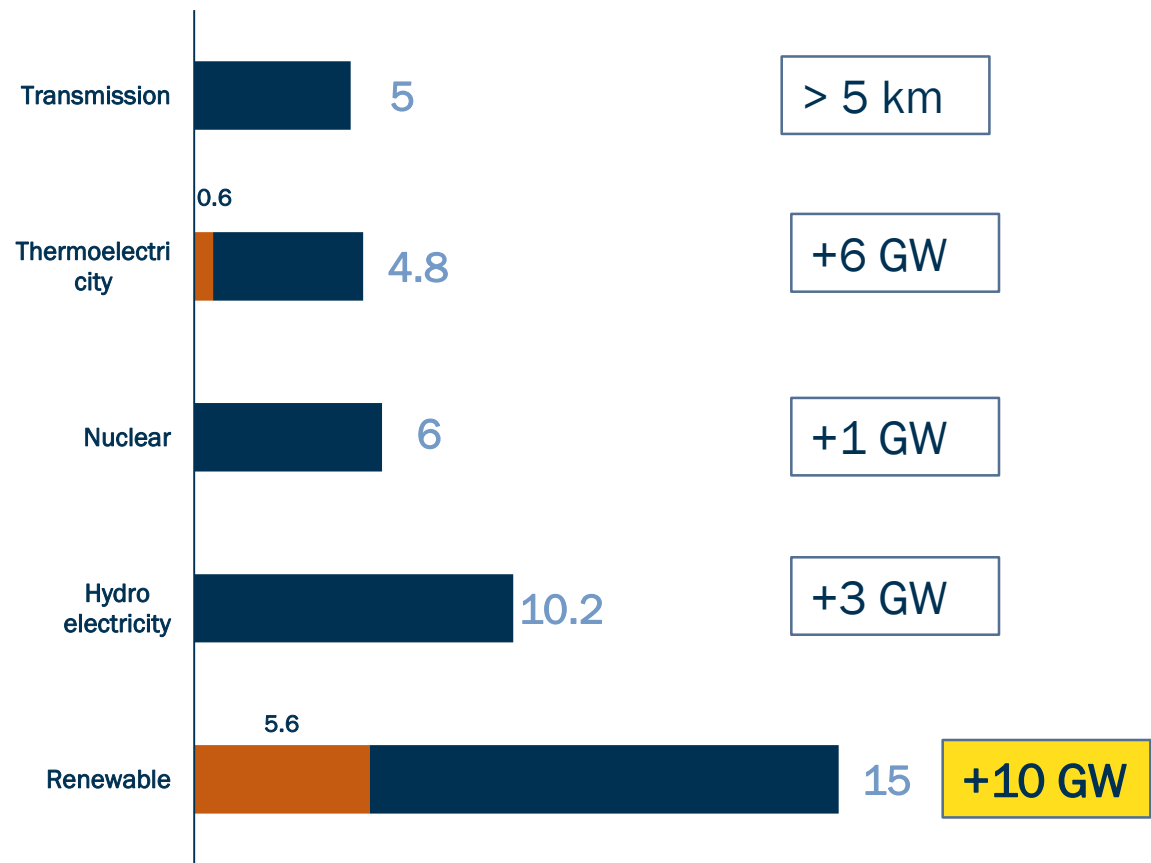
- The Argentine energy matrix has traditionally relied in fossil fuels
- High proportion of old thermal facilities, inefficient and obsolete



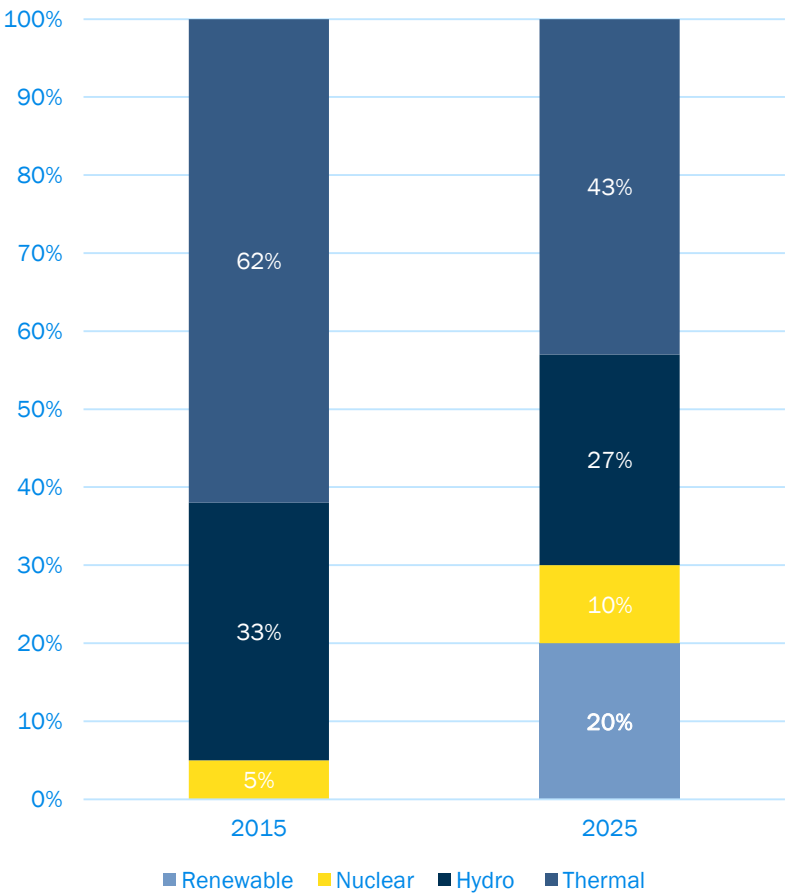
- The outflow of foreign exchange as a result of the import of fossil fuels is a major constraint to the growth of the economy
- Main renewable energy source is currently hydro, making the energy matrix vulnerable to climate change

Renewable Energies: strategic within the argentine energy sector

Planned Capital Investment in the Power Sector (in billion USD)



Source: Ministry of Energy and Mines



Demand 2018 133 TWh



Demand 2025 170 TWh

New regulatory framework for renewable energy

MANDATORY TARGETS:

8% 2017-2018
12% 2019
16% 2021
18% 2023
20% 2025

RESOURCE DIVERSIFICATION

Technological and Geographical

**Law 27,191 +
Presidential Decrees 531
and 822**

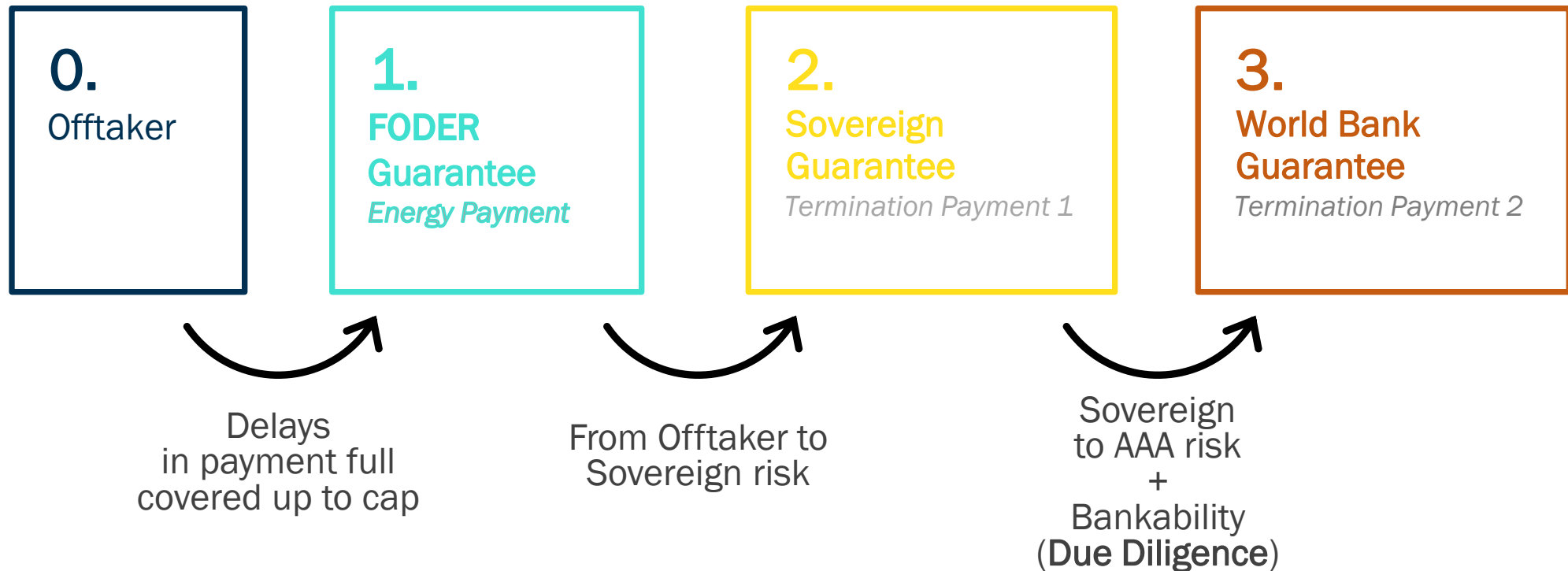
FISCAL INCENTIVES

Applicable to IPPs and Local
Manufacturers

FODER

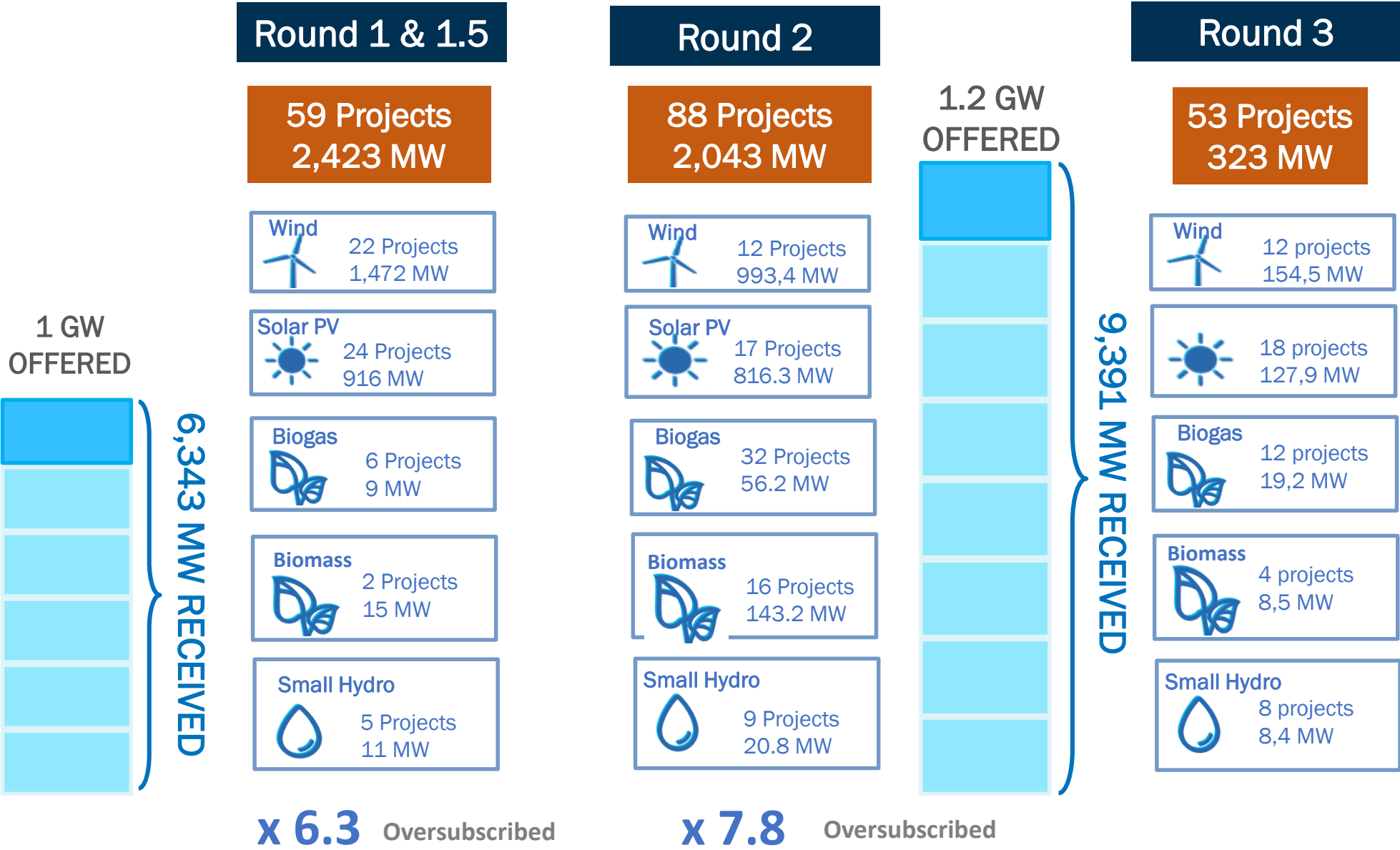
Public Trust fund that guarantees
and finances projects

Risk coverage waterfall for worst-case scenarios under RenovAr programme

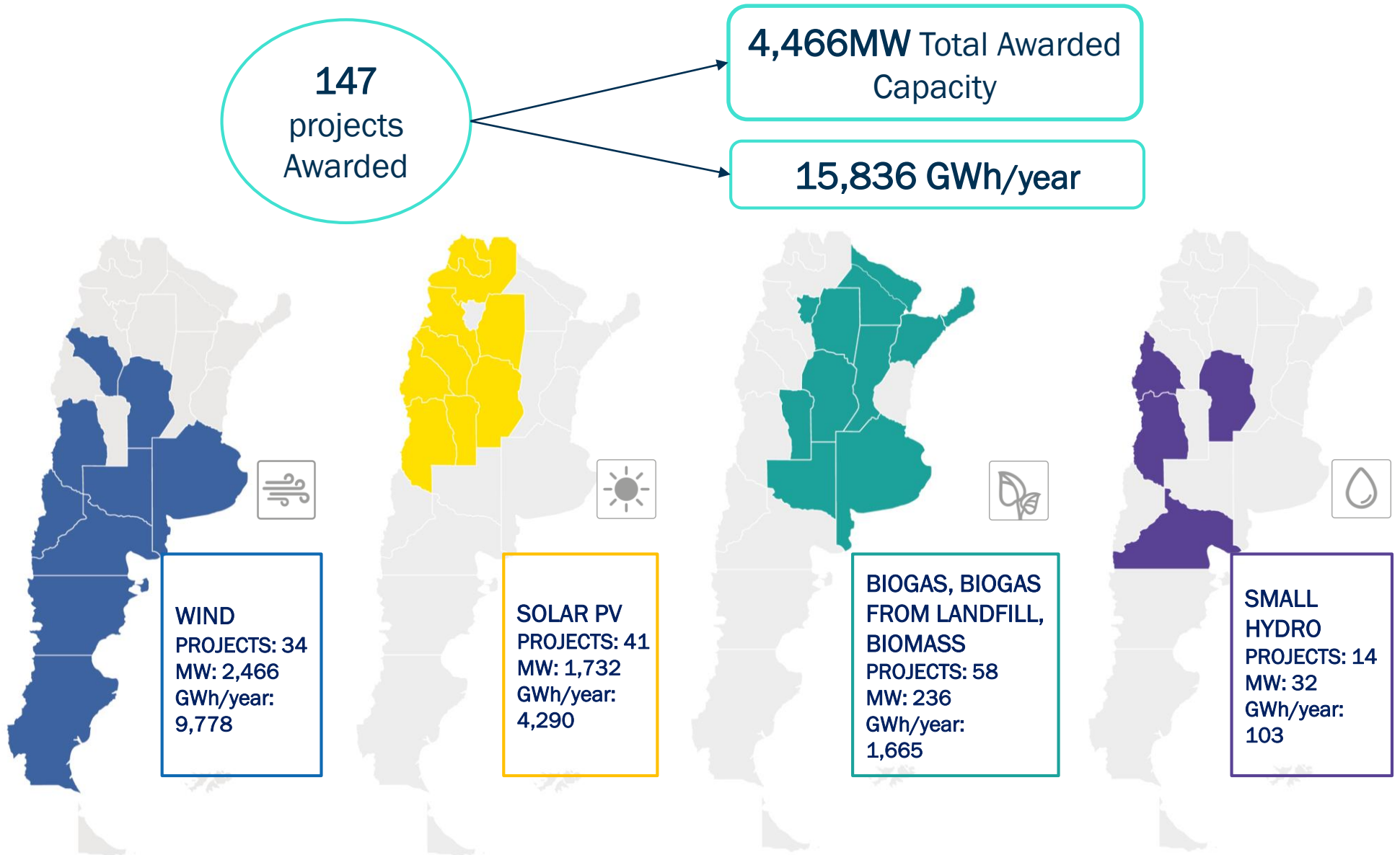


RenovAr Auctions: results

AWARD PENDING



Geographical distribution of projects: Rounds 1/1.5 and 2



MATER (Renewable Energy Term Market)

PRIVATE MARKET

Large Users

Large Users (>300kW) have to meet the consumption goals individually

Benefits

- ✓ **Freely negotiated** between parties (term, priorities, prices and other contractual conditions)
- ✓ **Better prices** than staying in the Joint purchasing mechanism conducted by the offtaker:
- ✓ **No commercialization charges** which are incremental until 2030
- ✓ **No administration charges**
- ✓ **% discount in the power reserve fees**

Generators

Can **provide** an alternative to **Large users** to purchase energy different from the tenders implemented by CAMMESA

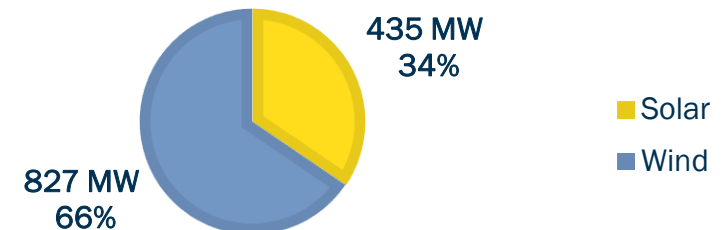
Benefits

- ✓ Could negotiate higher prices compared to the ones obtained in tenders
- ✓ No curtailment risk

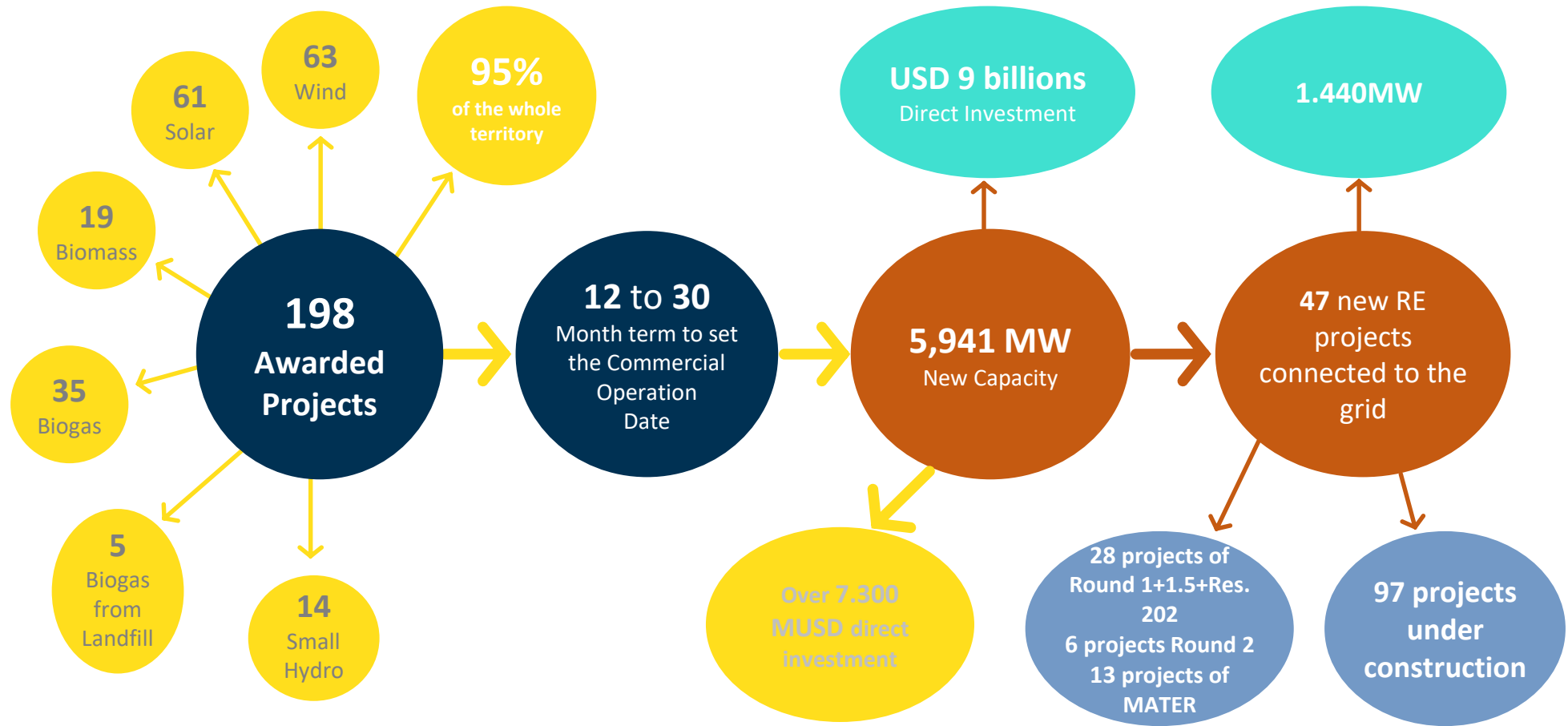
Conditions

- ✓ Request Priority Dispatch to CAMMESA
- ✓ Provide an insurance guarantee of USD 250,000 per MW of power informed.

CORPORATE PPAs (51 projects)
ALLOCATION OF PRIORITY DISPATCH: 1,263 MW



MATER and RenovAr joint results



Source: Ministry of Energy and Mines

Argentina High Voltage Electricity System

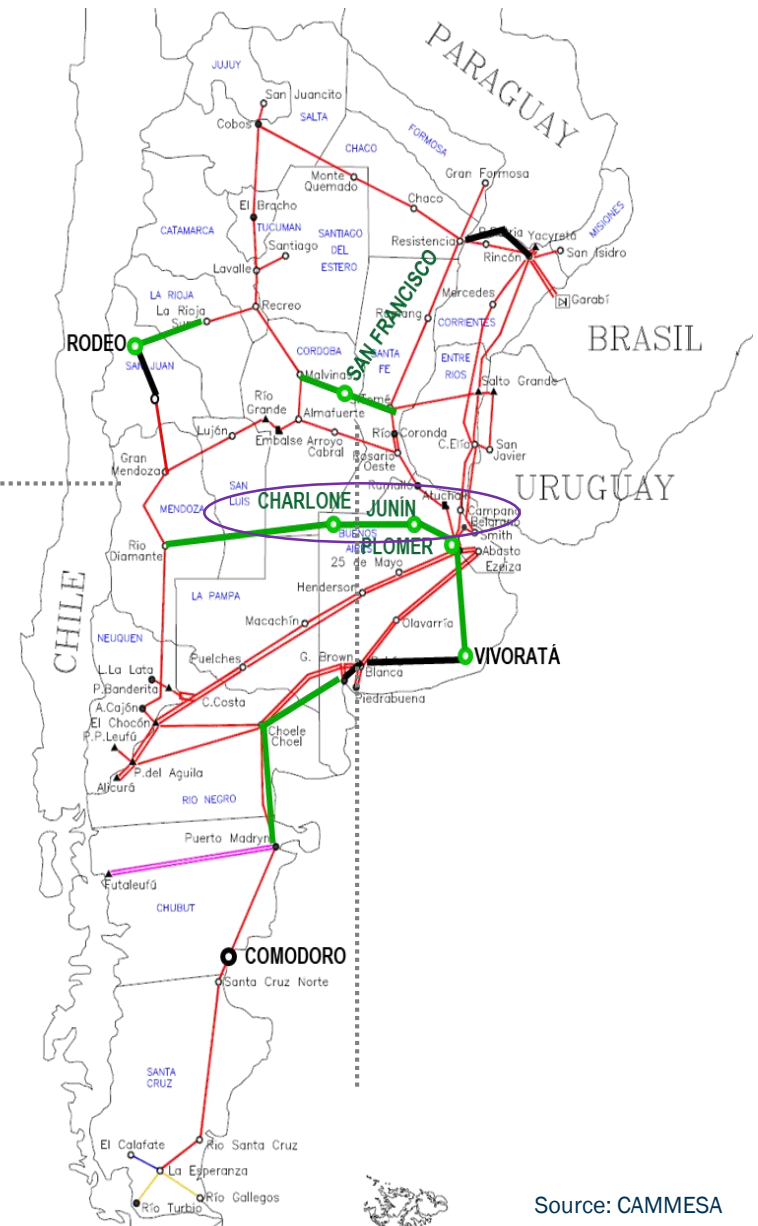
14,000km high voltage (500kV)
transmission lines+
19,500km mid voltage transmission
lines

RenovAr and
MATER
awarded 5,914
MW

Grid expansion
through tenders
and PPP

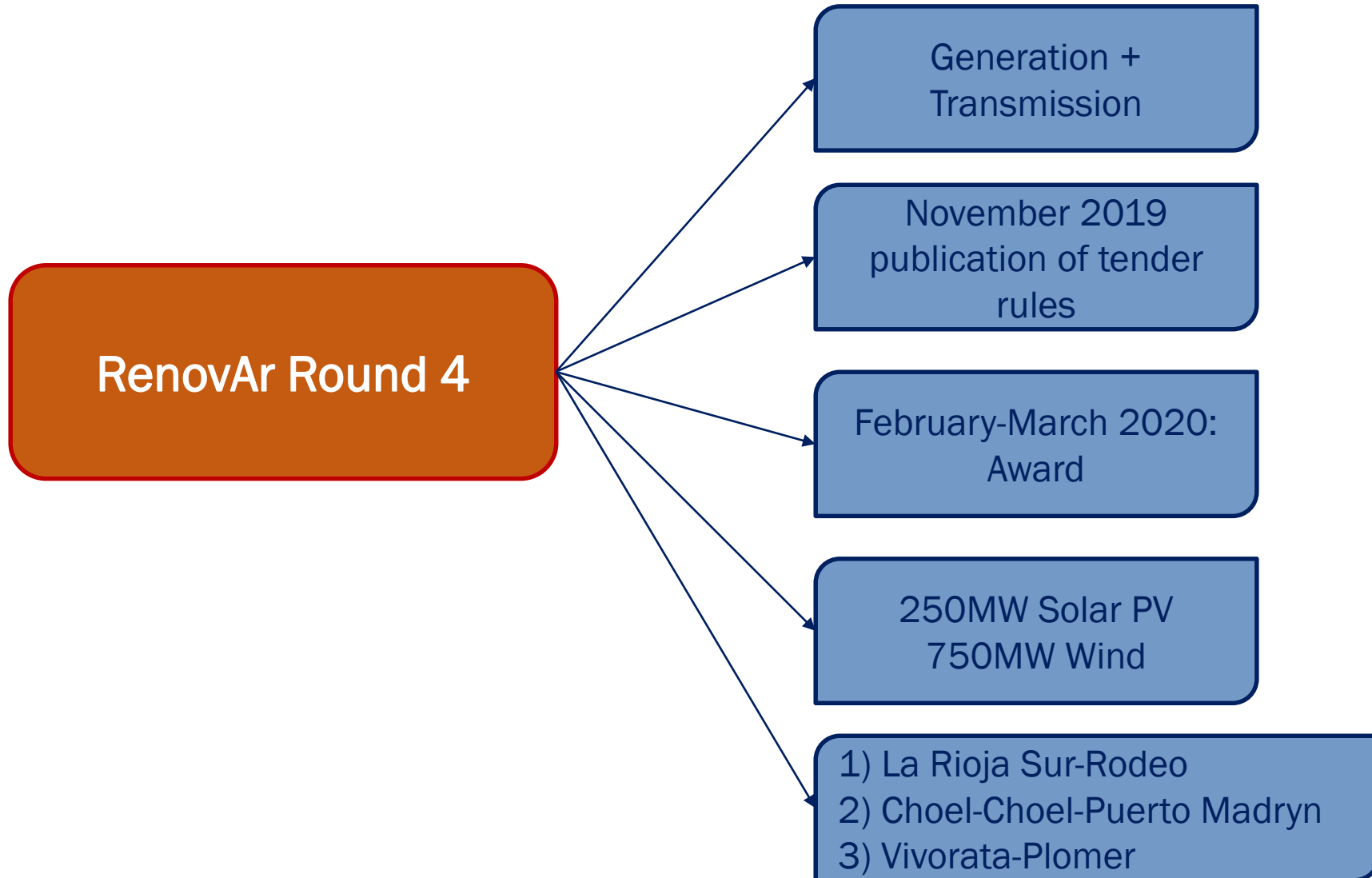
Transmission line tender goals:

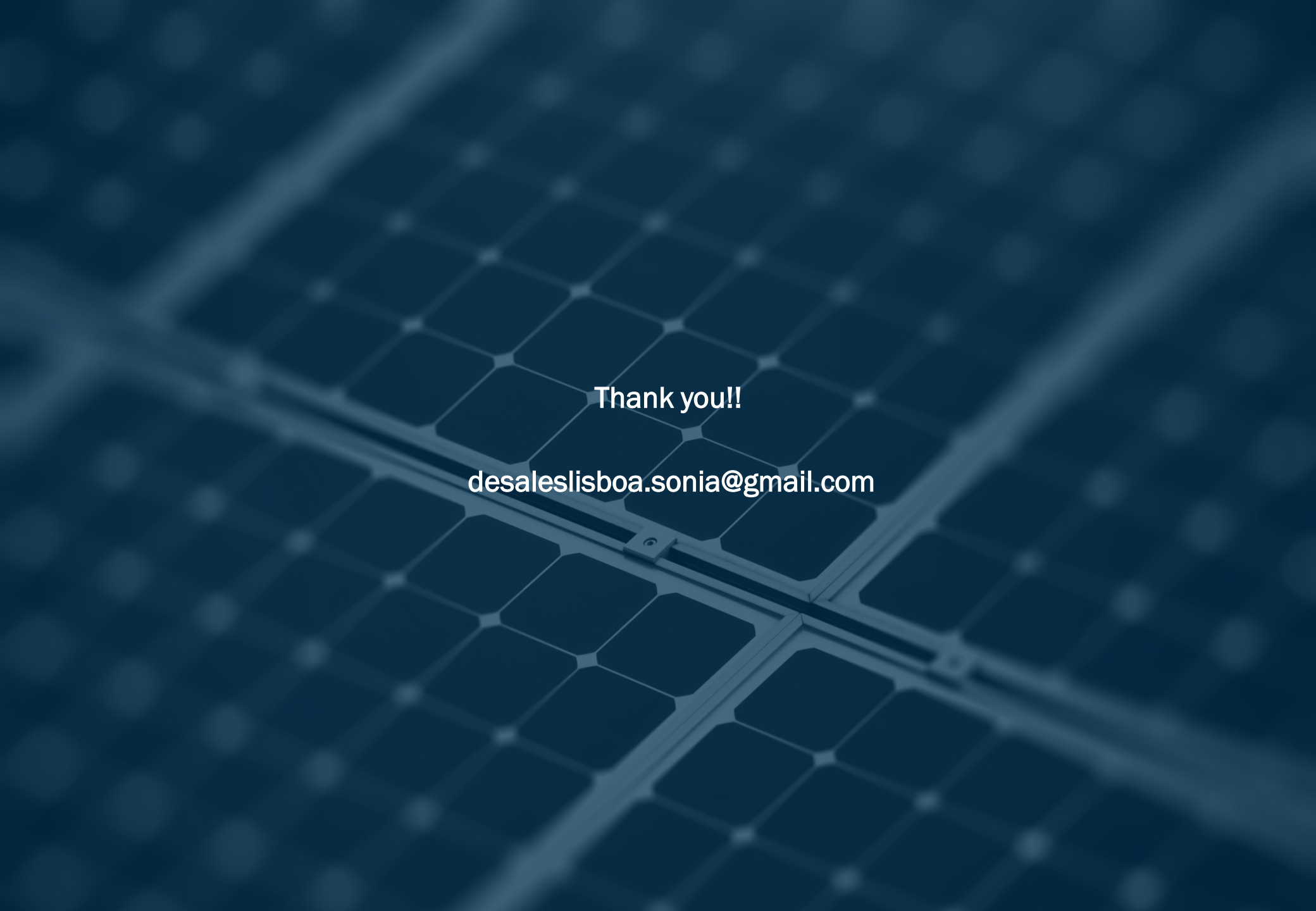
- ✓ Maintain system balance and stability
- ✓ Reduce infrastructure gap by promoting the interaction between public and private sectors through PPP contracts



Source: CAMMESA

Upcoming Auctions



The background of the slide is a close-up, low-angle shot of solar panels. The panels are arranged in a grid pattern, with the lines of the panels converging towards the top corners, creating a strong sense of perspective. The lighting is soft, highlighting the texture of the solar cells and the metallic grid lines.

Thank you!!

desaleslisboa.sonia@gmail.com