

## EcoGrove on the open market

Acciona's 100.5MW EcoGrove wind farm in Illinois has wrapped up commissioning while the developer negotiates with potential power purchasers.

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## 300MW energy storage play

Pacific Gas & Electric plans to build a 300MW underground wind energy storage facility that could provide up to 10 hours of back-up generation for peak demand periods.

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## Mitsubishi vows to fight on

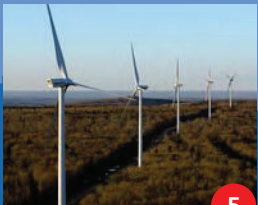
A judge has upheld GE's claim that Mitsubishi Heavy Industries violated its turbine patents but a final ruling has yet to come from the full International Trade Commission.

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## Canada focus

The coming launch of North America's first feed-in tariff means wind has all to play for.

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## Venting steam in Panama

Speakers at the Latin American Wind Energy Association's annual conference in Panama City slammed the region's collective lack of leadership and knee-jerk approach to renewables policymaking.

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## Wall Street back in the game

Stimulus cash grants are thawing financing markets largely according to plan as the first wind project awards coincide with big investments from Morgan Stanley, Citigroup and JPMorgan Chase.

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# Chinese turbines marching on US

China's Goldwind Science & Technology is shipping its first three turbines to the North American market, setting the stage for a rapid expansion.

The manufacturer, the country's second largest, is supplying its 1.5MW direct-drive permanent magnet machines to the 4.5MW Uilk wind farm near the town of Pipestone in southwestern Minnesota. It is also taking a stake in the project through its Tianrun New Energy Investment Company unit.

Uilk is just the beginning, according to Chunhua Li, Goldwind's director international business.

"North America is one of Goldwind's selected key international markets," he said. "(The company) will speed up its market development activities... and will consider both direct sales and project development."

The strategy calls for Goldwind to build manufacturing plants in the US or Canada, although it has yet to settle on any locations or construction schedules.

The 1.5MW direct-



**PANTHER CREEK UNLEASHED:** Eon Climate & Renewables has completed work on its 199.5MW Panther Creek 3 wind farm in Big Springs, Texas. All three phases, built by DH Blattner teams, run on GE 1.5MW turbines. purchase agreements for the 457.5MW capacity have yet to be placed.

Photo: Eon Climate & Renewables

drive permanent magnet turbines will be its chief product in the market. Right now it is in talks with multiple US developers regarding supply agreements and possible co-development ventures.

At home, Goldwind is both a manufacturer and developer. It makes 1.2MW, 750kW and 600kW machines, in addition to the 1.5MW model, and has installed more than 5000 turbines in its 11 years in business.

Revenue for this year is projected to top \$1.46bn,

and in the first half of the year Goldwind posted net profit of \$78.8m, 261% more than a year earlier.

Still more cash for expanding is on the way, as Goldwind is planning to issue shares worth about \$1bn on the Hong Kong stock exchange within a year.

In Minnesota, road construction and work on footers is under way, and commissioning is expected to be completed by year-end. Xcel has signed a power purchase agreement for the output.

## Briefs

Endesa Eco is negotiating with landowners to expand capacity at a number of undisclosed sites in Chile. Company sources said it is assessing a total of 2GW with a view to installing 50MW at the most advanced project from 2012 and up to 400MW by 2015.

Mesoamerica Energy is a step closer to financing its 100MW Cerro de Hula wind farm in Honduras after passing the first round of talks with US lender Exim Bank. Second-phase assessments are underway alongside balance of plant negotiations and detailed engineering work.

The developer still hopes to break ground next year but commercial operations have been pushed back from 2010 to end-2011.

Iberdrola Renovables has broken ground at its state-contracted 103MW La Venta III scheme in Oaxaca, Mexico.

Argentina's Impsa has inaugurated its 28.8MW Praias de Parajuru site in Ceará, Brazil. The wind farm is included in Impsa subsidiary Energimp's R\$213m asset sale to Companhia Energética de Minas Gerais, which was finalised this week.

Resource analyst 3Tier has identified four key areas in its wind atlas of Bolivia: outside Santa Cruz de la Sierra, south of Potosí, between Santa Cruz and La Paz, and due east of the town of Oruro.

Chile's National Energy Commission has inaugurated a new renewable energy center to address project barriers, spread information and bring together government agencies.

# 'Frustrated' industry vents steam over policy vacuum on incentives

Developers in Central America have renewed calls for concrete incentives to deliver a sustained rollout of megawatts and bring an end to the region's piecemeal foray into wind.

Speakers at the Latin American Wind Energy Association's 2009 annual conference in Panama City last week slammed the region's collective lack of leadership and knee-jerk approach to renewables policymaking.

Mesoamerica Energy CEO Jay Gallegos said in his keynote address that development will remain sporadic until officials set out strategies to integrate wind into the power mix.

"Wind energy is seriously stifled; there's a lot of frustration. We hear political debate about reducing our dependence on thermal plants but these are the only ones to have increased in recent years. Rhetoric and reality are two different things, the debate lacks seriousness."

Gallegos said some regional governments rushed out emergency renewables legislation during periods of energy crisis but in their haste failed to address barriers such as price volatility and credit scarcity.

"We spent 10 years without installing a single wind farm in Central America (and) our projects are spending a decade in development. It's obvious the policies implemented have not been successful."

The Mesoamerica boss said industry is crying out for tax exemptions, easily obtainable power purchase agreements, state loan guarantees, and measures to ensure price consistency.

He stressed governments must identify clear targets

before establishing incentives for delivery, while utilities — many state-run monopolies — need to prioritize wind within expansion plans.

Nordteco CEO Jan Borchgrevink said regional market leader Costa Rica's fitful attempts to regulate wind have created "unnecessary complexity" and "distorted the market".

He called for the removal of the "arbitrary" limit of 20MW for private projects using the build-own-operate model and 50MW for build-own-transfer schemes.

EDP Renováveis head of Latin America and new markets Gabriel Nebreda said regional governments must not shy away from generous subsidies to stimulate investment.

He said incentives should be designed to taper off over time to nurse the market through this delicate early phase, then adapt as it matures.

"Not all of the players have the experience to be competing in a fierce market from the word go. A feed-in tariff will provide visibility to investors and manufacturers, and needn't lead to subsidy dependency," Nebreda said.

There are signs Panama and Costa Rica are taking their first steps towards more effective pro-wind reform. Panama's new government declared at LAWEA 2009 that it is drawing up legislation to transform the country's generation and distribution sector to provide renewables with priority grid access.

The administration of President Ricardo Martinelli, who was sworn into office in July, is aiming to publish a draft version of the new



Second president of the LAWEA: Jan Borchgrevink

## Regulatory reform focus for new LAWEA supremo

The new head of the Latin American Wind Energy Association intends to prioritize pan-continental regulatory reform under his two-year leadership.

Nordteco CEO Jan Borchgrevink, who replaces LAWEA founder Fernando Tejada to become the association's second president, said a dedicated workgroup will lobby governments with tailored regulatory recommendations.

"There's no blanket solution. This group will create an inventory of the existing frameworks and

a diagnosis of the barriers that are still inhibiting development in the region," Borchgrevink said.

The association will be looking to adapt successful elements from initiatives in other countries.

Borchgrevink said an equal priority will be to build bridges with local industry associations such as AMDEE in Mexico, ABEEólica in Brazil and AAEE in Argentina.

Elsewhere, LAWEA has confirmed its next annual conference will be held in Buenos Aires, not Medellín as previously advertised.

law within the next two months following industry consultation.

Panama's national energy secretary Juan Urriola said small wind systems will receive most support but would not be drawn on whether the government will set out a preferential tariff for renewables.

Congress in Costa Rica is assessing government proposals to prepare state utility monopoly ICE to compete in a liberalized energy sector.

If approved the plans would create a wholesale

power market, allowing independent generators to sign power purchase agreements directly with ICE without the need to compete in state tender exercises.

The legislation would allow three new types of PPAs for private internal consumption, export through a proposed Central American grid, and self-supply contracts with large-scale consumers.

Observers warned the liberalization of Costa Rica's energy sector could take years to deliver results.