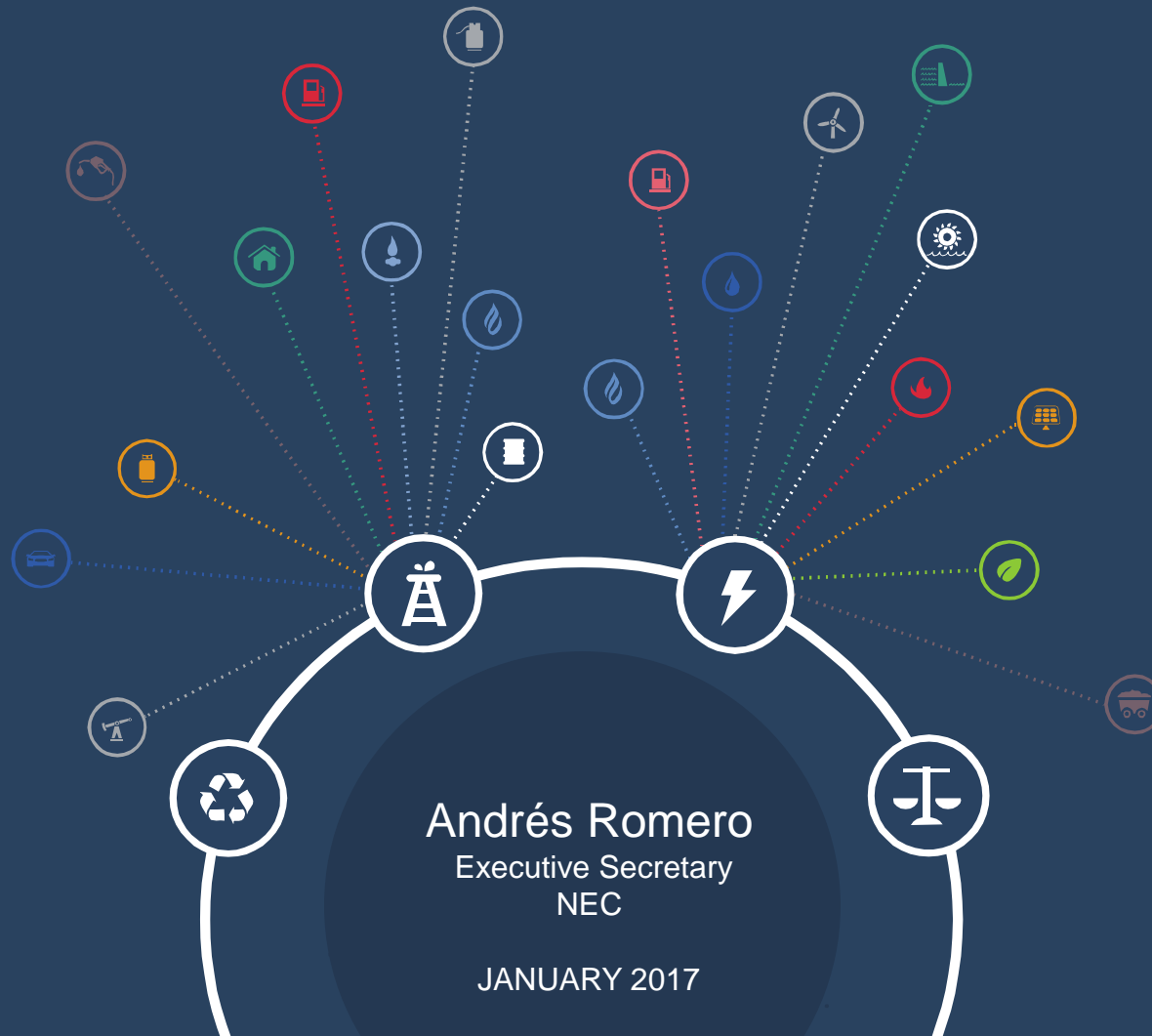
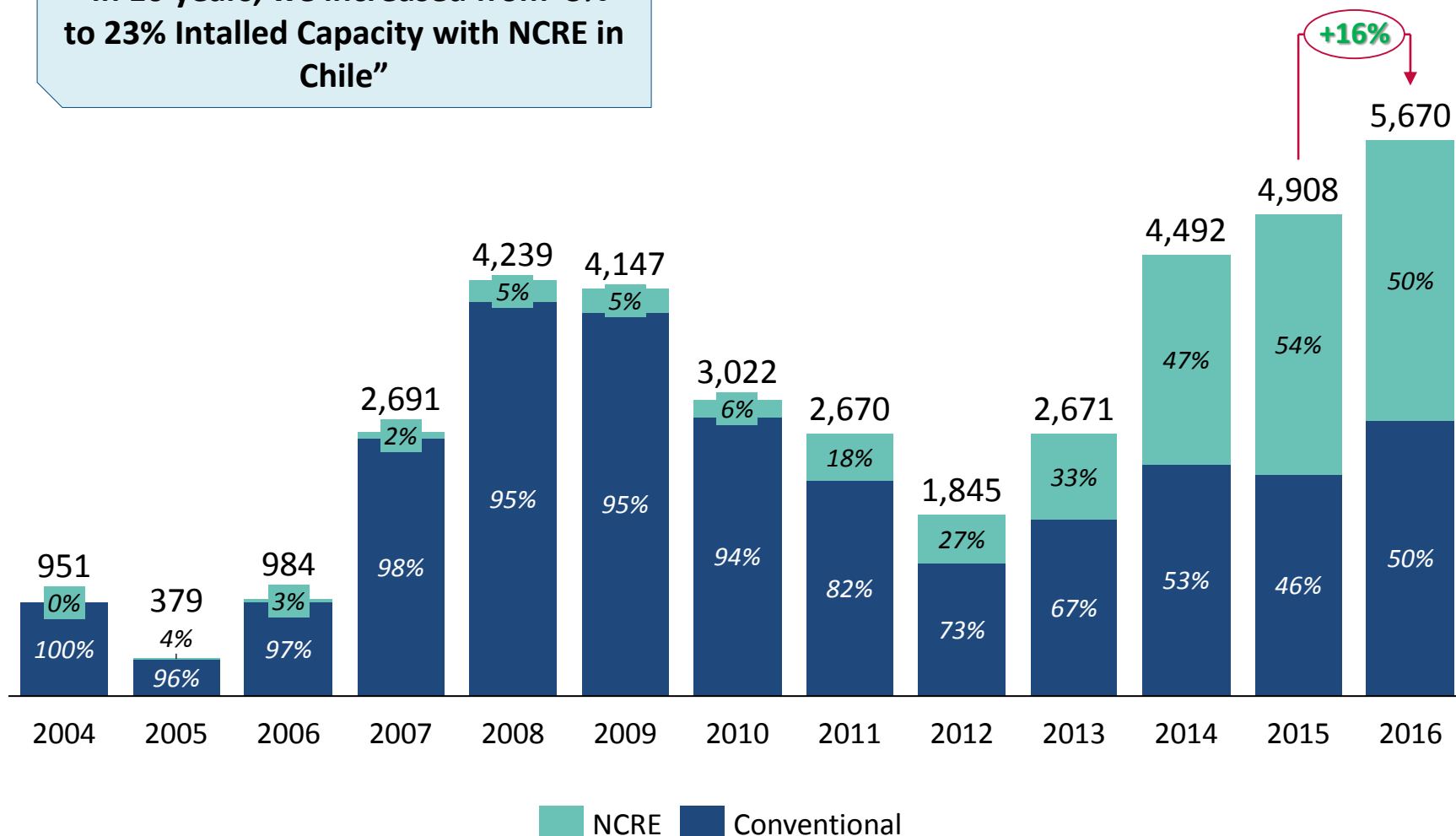


NCRE DEVELOPMENT – CHILEAN CASE



CHILE: Evolution of Electricity Generation Projects Declared in Construction (MW) 2004 - 2016

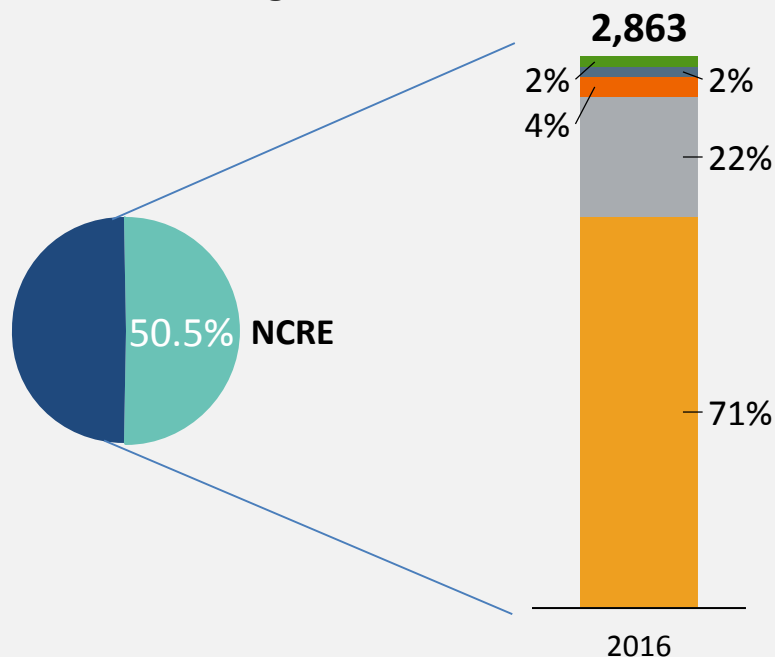
“In 10 years, we increased from 3% to 23% Installed Capacity with NCRE in Chile”



73% of Project under construction are solar energy

Detail of ERNC projects declared under construction in 2016

Total Projects declared under construction during 2016: **5,670 MW**



Geothermal



Run-of-river
hydropower station



Wind



Solar Power Concentrator



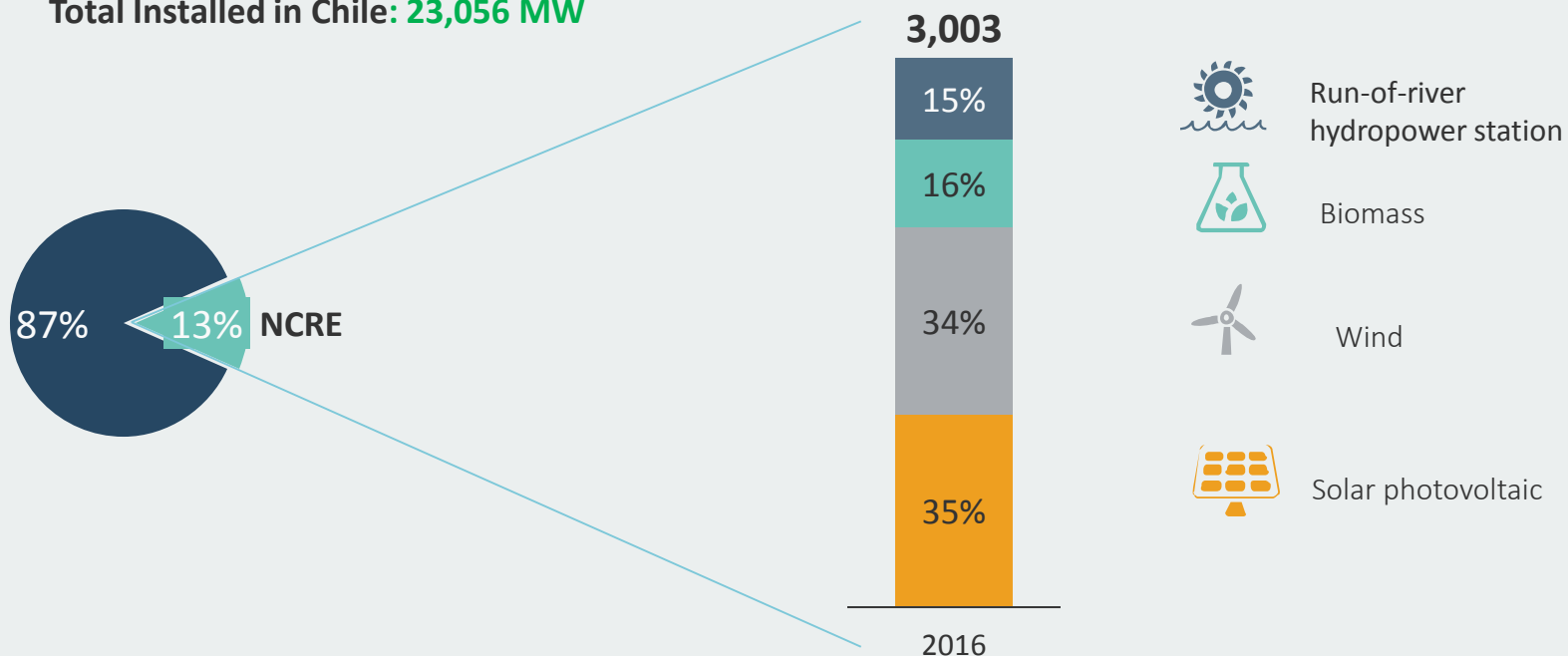
Solar photovoltaic

13% of the total installed capacity is NCRE

Detail of NCRE installed capacity in MW

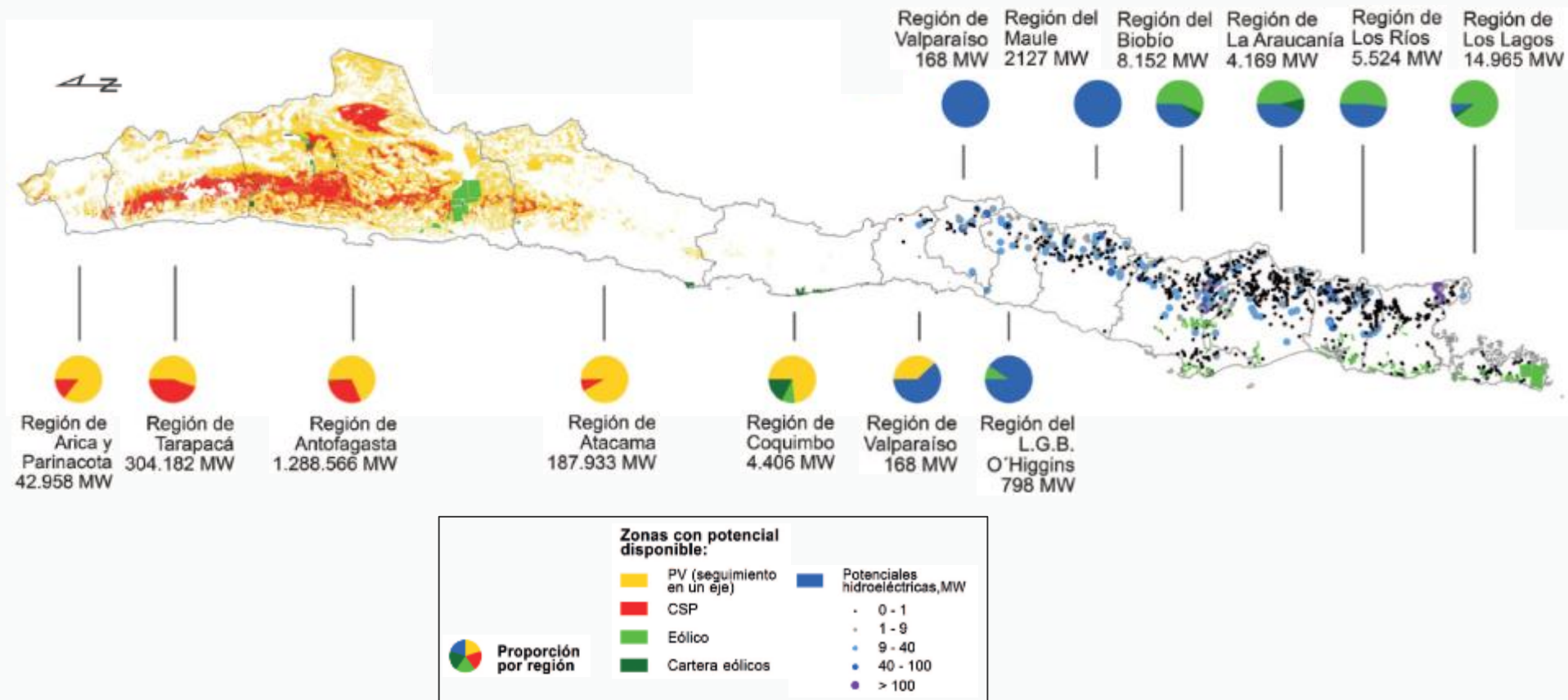
Installed capacity until December 2016

Total Installed in Chile: **23,056 MW**



MARKET MECHANISM 1: QUOTA v/s SUBSIDY

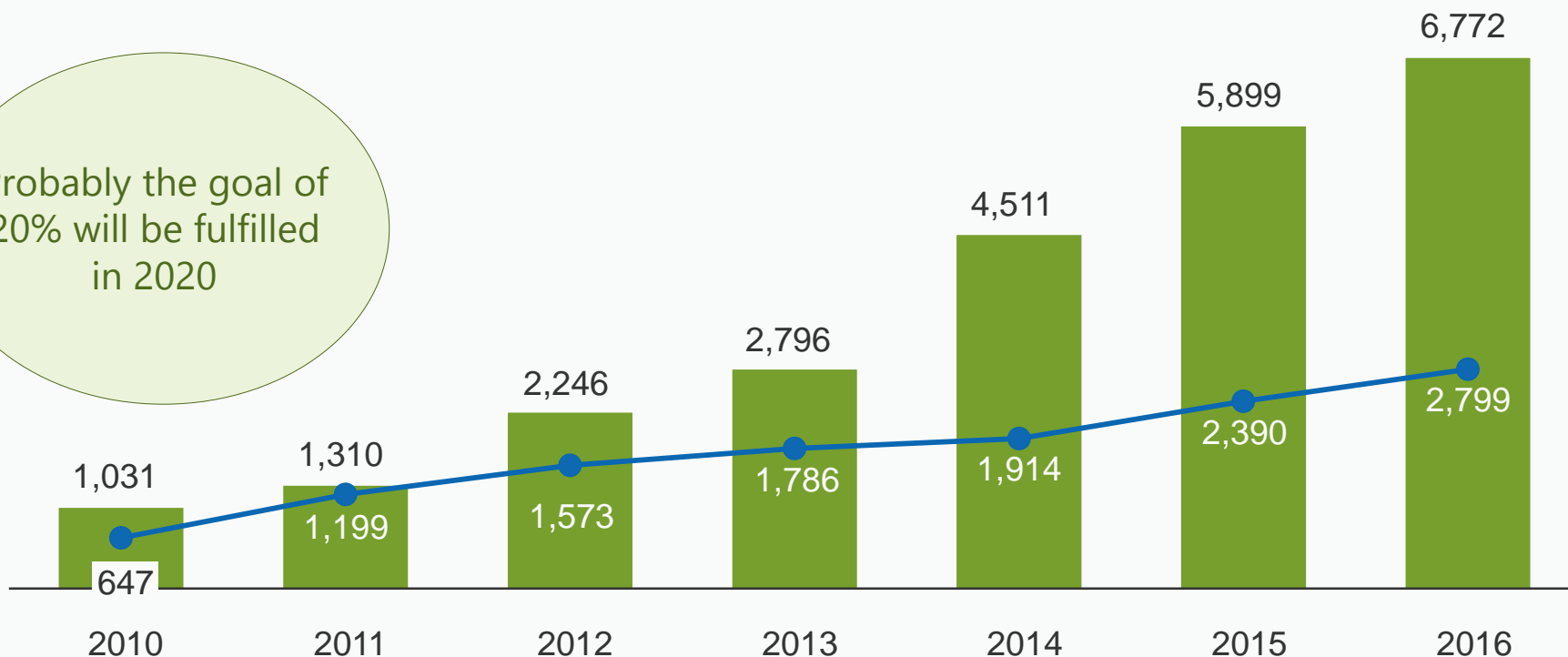
Chile has an enormous potential of over 1,865,000 MW of wind, solar and hydroelectric power. In addition over 2,000 MW geothermal likely.



MARKET MECHANISM 1: QUOTA v/s SUBSIDY

Evolution of NCRE injection since validity of Law 20/25

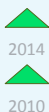
Probably the goal of
20% will be fulfilled
in 2020



Recognized Injection

6,772 Gwh

14.8%



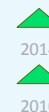
x 6.57

2010

Obligation

2,799 Gwh

17.1%

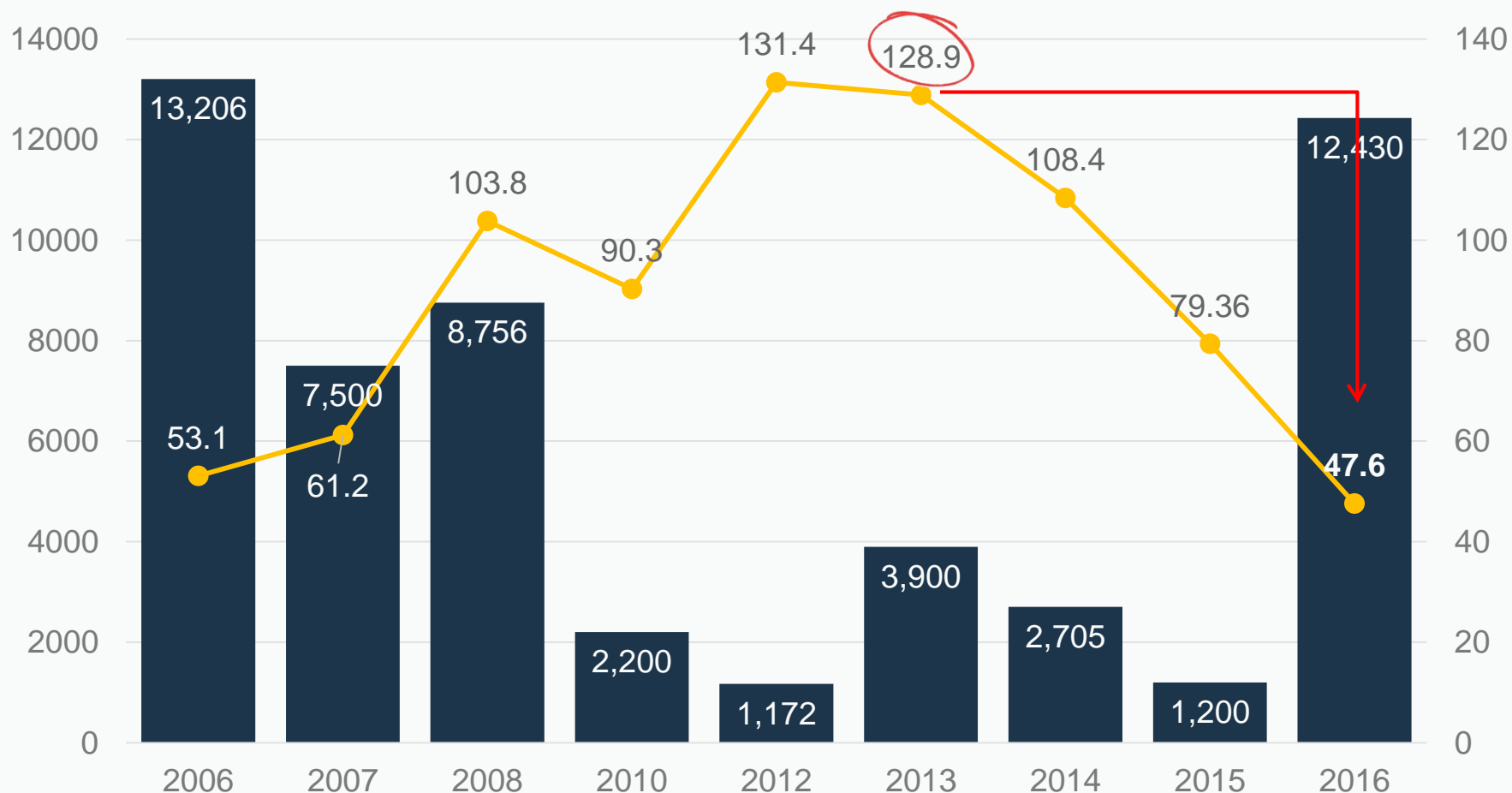


x 4.32

2010

Challenges put forward in 2014: «Lower Prices»

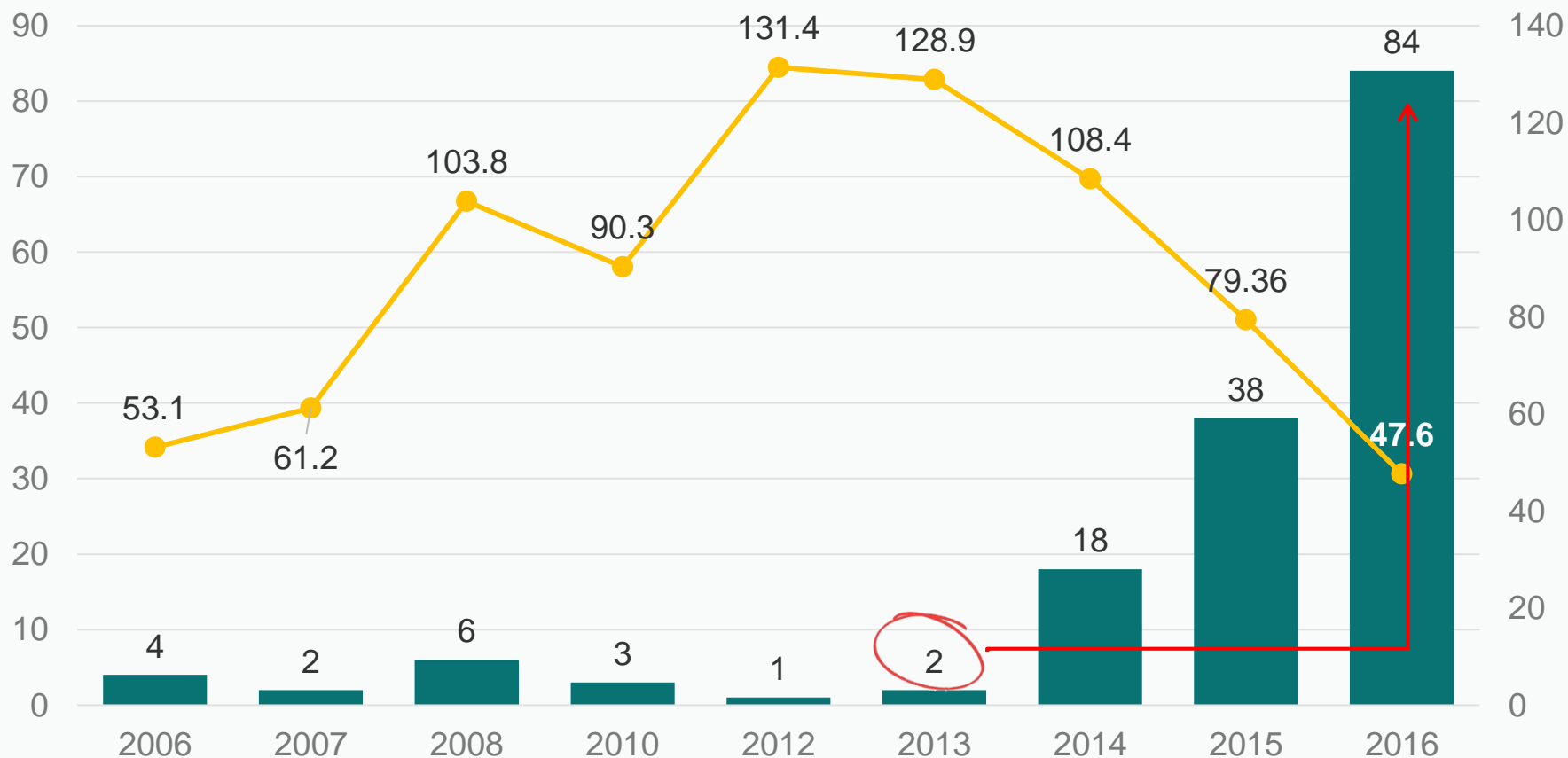
Volume of energy tendered and average price awarded



MARKET MECHANISM 2: TENDERS POWER SUPPLY

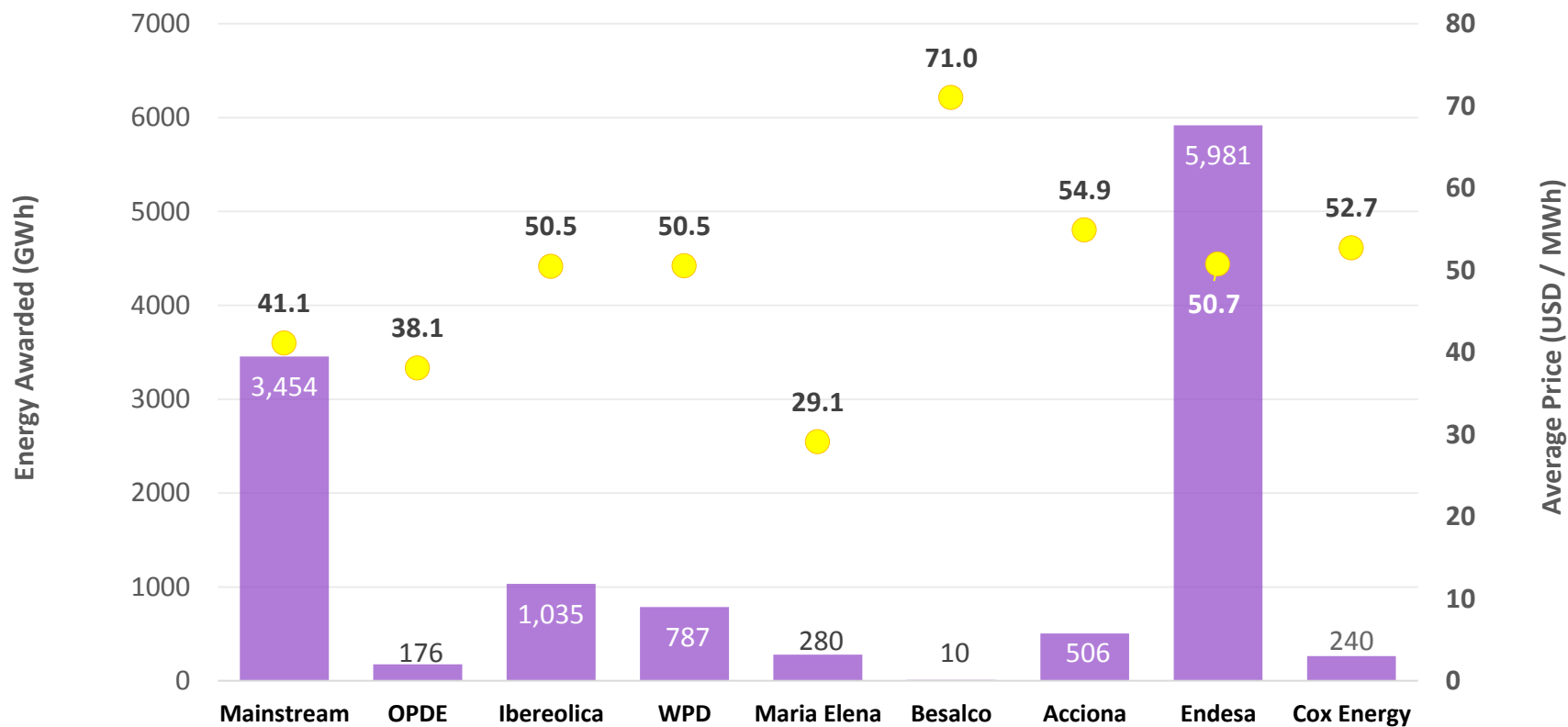
Challenges in 2014: "More Competition Process".

Number of companies offering and average price awarded



MARKET MECHANISM 2: TENDERS POWER SUPPLY

Energy awarded by company and average price



LESSONS LEARNED

1

NCREs are competitive, do not require subsidy, only remove barriers.

2

NCREs compete with conventional sources.

3

For its development, requires a Market. The market of customers regulated in Chile has been key.

Where you can find information about ERNC in Chile?





THANK YOU VERY MUCH

National Energy Commission

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