

# Ocean Energy

## A Hydro Developer's Perspective

Lessons from a Hydro Project



# Overview

- Background
- Why Fortis
- The Market
- The Economics
- The Environment (physical)
- Project Scale
- The Chalillo Project – Description
- The Chalillo Project – Lessons
- The Message

# Background

- The Fortis Group
  - ✓ electric utilities
  - ✓ hydro generation, transmission & distribution
  - ✓ hotels
  - ✓ real estate

# Why Fortis

- Development similarities
- Requires reliable energy source
- Hydro developers

# The Market

- Population growth
- Efficiency and conservation
- Small growth compounds
- Consumer selectivity

# The Economics

- Price, Price, Price
- Reliability
- True cost

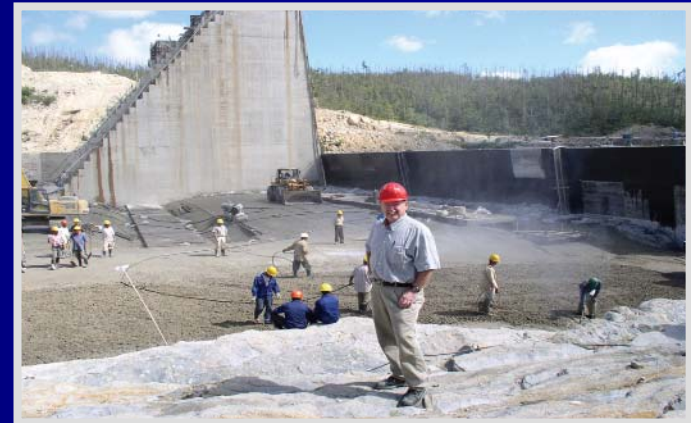
# The Environment (physical)



# Project Scale

- Small
  - better risk management
  
- Large
  - most economical

# The Chalillo Project – Description



# The Chalillo Project - Lessons

- Currency
- Projects
- Local Partners
- Data Accuracy
- Local Services
- The Utility
- Design
- Contracting
- Communications

# The Cultural Challenge



# The Message

- Hydro projects in developing countries are doable
- Similarly, new technologies in developed areas are doable
  - ✓ they must be economically sound
  - ✓ they must be compatible with the environment
  - ✓ the public expects you to have "*ALL THE ANSWERS*"
- They present many challenges and opportunities
- You must pay attention to minute detail

# THANK YOU!