EIGHTH PLENARY MEETING OF THE POLICY DIALOGUE ON
NATURAL RESOURCE-BASED DEVELOPMENT
Building collective knowledge for actionable policies

Innovation and shared power: sharing practices for discussion and validation

Carlos Finat
Executive Director
ACERA AG
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Mission: Encourage the implementation of a national sustainable energy strategy.

Solar
Wind
Mini-hydro
Sea
Geothermal
Biomass

120 + members

Project development
Power stations operation
Energy commercialization
Service delivery
Equipment supply
Financing and Insurances
Legal services
ACERA’s profile

• ACERA was created in 2003 to promote a regulatory framework in Chile which would allow NCRE* (Non Conventional Renewable Energies) to compete on equal terms with other conventional sources.

• 120+ members, from every NCRE technology, covering the entire renewable energy value chain.

• ACERA represents 71% of NCRE’s current operating capacity, including 90% wind and 91% solar photovoltaic.

• ACERA’s members are building 55% of new NCRE projects

• NCRE are the main source of investment in Chile:
  • > 3,000 MUS$ to be built as a result of the last tenders.
  • > 4,153 MUS$ in projects under construction.
  • > 8,200 MUS$ in already operating plants.

• As a result of NCRE’s participation in the last tender, final consumers will save over 1,800 MUS$.

• The law goal of 20% NCRE by 2025, will most probably be met by 2019/2020.

• So far this year, NCRE have contributed with 15% of Chile’s generation.

*: Wind, solar, geothermal, biogas/biomass, wave&tidal, hidro below 20MW
ACERA´s main activities.

- **Represent** the NCRE sector before authorities, Congress, public and press, just to mention a few.
- Together with its members, it **prepares and disseminates** the association’s **positions** concerning subjects of interest to the sector.
- Promote the **relationship** among NCRE sector’s companies.
- Represent the sector in energy and sustainability **events**, in Chile and countries of the region.
- **Disseminate** the knowledge of NCRE, the transition towards a sustainable energy system.
- **Organize** technical events of its own, or together with other energy sector entities.
  - Organize the **Annual Dinner** of Renewable Energies.
    - **Sponsorship** and dissemination of others’ congresses, seminars and fairs.
    - **Newsletter** ACERA is distributed every month to over **6,500** people in Chile and abroad.
      - Permanent **presence** of NCRE on **social networking**.
  - **Training** on energy for **journalists** – over **300** journalists have attended ACERA’s Energy Course, from Arica to Puerto Montt.
  - **Training** on energy for **authorities and civil society** – in 2016 in Arica and Iquique.
  - **Reception** and initial **orientation** of **national and foreign** companies interested in the NCRE sector in Chile.
NCRE Power Purchase Agreement with a large mining operation
Enabling factors (as of 2011)

• Generation in the grid almost 100% originated in LNG, coal and diesel.
  – Chile has almost no LNG, oil and coal relevant reserves. Dependence on international markets and long supply lines.
  – Price subject to high variations and eventual problems of fuel supply.
  – High carbon footprint.
• Very high power prices and low competitiveness of the conventional generation market.
  – Take it or leave it “contracts of adherence” style from conventional suppliers.
• New regulations in place about NCRE development.
• Alignment with sustainability policy of the company.
• Very high interest from NCRE companies in winning a PPA with the company.
Obstacles (as of 2011)

- Lack of internal understanding about the business and sustainability cases for NCRE.
- Being this the first public tender for power from NCRE sources in Chile, scarce knowledge and no experience was available on what were the right T&C and on how to manage it.
- Rigidity of the existing PPA of the mining company.
- Lack of experience and procedures at the Independent Operator for the connection of NCRE.
- Lack of quality and timely data about the grid.
- Financing institutions not familiar with T&C applicable to NCRE PPAs.
- Perception that innovation may be risky.
Lessons Learned

- NCRE was (and is) very competitive.
- A solid business and sustainability case was possible to be built.
- Association to ERNC brings reputational benefits to the offtaker.
- Innovation is always a risk…. but worth to be faced.
¡Gracias!

Carlos Finat D.
Director Ejecutivo ACERA

- Ingeniero Civil Electricista
- Director de Operación y Peajes del CDEC-SING -- 1999 – 2008
- Representante de clientes libres en el Directorio del CDEC-SING -- 2010 – 2012
- Presidente del CDEC-SING -- 2011-2012
- Director Ejecutivo de ACERA desde Octubre de 2012
Our information platforms:

**Web**

informaciones@acera.cl

**Newsletter**

@ACERAAG

**Mapa de Proyectos**

Asociación Chilena de Energías Renovables, ACERA AG.