



„It doesn't depend on how the wind blows, but on how one sets the sails.“ (Aristotle)

## Notice to recipients

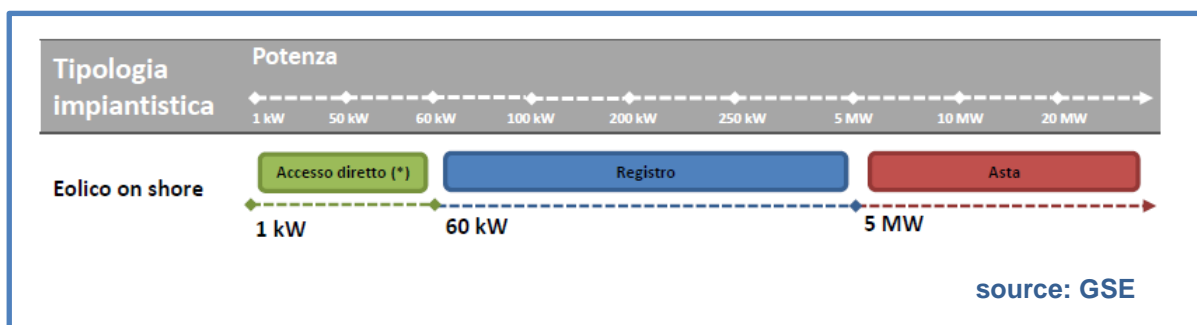
### Disclaimer:

- The information is summary in nature and should be deemed superseded by any later information provided to the recipients
- No underlying representation or warranty (whether express or implied) is given as to the accuracy or completeness of the information contained herein or in any other document or information supplied, or which may be supplied at any time or of any opinions or projections expressed herein or therein
- This document has been made available to interested parties for information purpose only. Each recipient is responsible for its own due diligence. In accepting this document, the recipient agrees that the information contained herein shall be kept confidential and shall not be copied or distributed to any person without the written consent of ECOGY other than to directors, employees or advisors for the recipient who require such information to analyse the Project and who agree to keep such information confidential

## Short Introduction to small wind power in Italy

In July 2012 the Italian government published the so called decree “feed-in tariffs for renewable energies other than photovoltaic”, which regulates the feed-in tariffs for wind power and in this specific case also those for small wind power.

Wind farms comprising Turbines with a nominal power of more than 60 kW and up to 5 MW have to get the right position on a ranking list. Wind farms with a nominal power of more than 5 MW have to participate to an auction. For wind turbines / farms with less than 5 MW there has been foreseen an annual budget of 70 MW.



The feed-in tariff for wind turbines up to 200 kW is 26,8 €-Cent/kWp. Wind turbines with the right position on the ranking list will have access to the obtained tariff for 16 months. After this period there will be in force a small reduction of the feed-in tariff of 0,5 % a month. The incentive scheme is in force until 2016.

The main advantages of small wind power systems in Italy are:

- a quite high level of feed-in tariffs
- for plants smaller than 60 kW direct access to the tariffs
- a relatively short authorisation system, indeed up to a power of 1 MW wind farms benefit from a simple-authorisation scheme
- possibility to connect the plants to the medium-voltage grid
- also regenerated wind turbines can be used
- due to relatively low investment costs the investment is suitable also for small investors (for instance family offices, private investors)

The main disadvantages are:

- lower quality of wind speed data assessment, but obviously with lower costs compared to faster procurement
- the specific investment cost per kW and the cost for O&M and administration is higher compared to standard wind farms
- fund raising could be more difficult because of the lack of turbines with certificated power curves and sites with certificated wind data



## General:

The seller (Italian EPC) is looking for an investor who is interested in acquiring an company incorporating a fully functional small wind power turbine of 195 kW in the south Italian region Basilicata (south of Italy).

<b>KEY FACTS: *</b>	
Model of Wind Power Plant	Nordtank 450
Rated Power	195 kW
Diameter	37 m
Height of tower	50 m
Grid Connection	May 2015
Authorisation	PAS (Procedura Abilitativa Semplificata)
Type of Grid Connection	Medium Voltage Grid of ENEL
Feed-in Tariff	0,251 €/kWh
Period of Feed-in Tariff	20 years
Producibility (net production)	430.000 kWh (estimated)
Total incoming	Ca. 107.000 €/a
<b>Operational Costs (OPEX)</b>	
Administration Costs	3.000 €/a
O&M	8.500 €/a
Insurance (all risk)	2.500 €/a
Cost for land	4.000 €/a
<b>TOTAL OPEX</b>	<b>Ca. 18.000 €</b>
<b>Investment (CAPEX)</b>	
<b>TOTAL CAPEX</b>	<b>740.000 €</b>
Type of transaction	Purchase of the shares (share deal)

## 1. Transaction Process

- Teaser received
- NDA
- Data-room access
- Purchase Agreement
- Closing