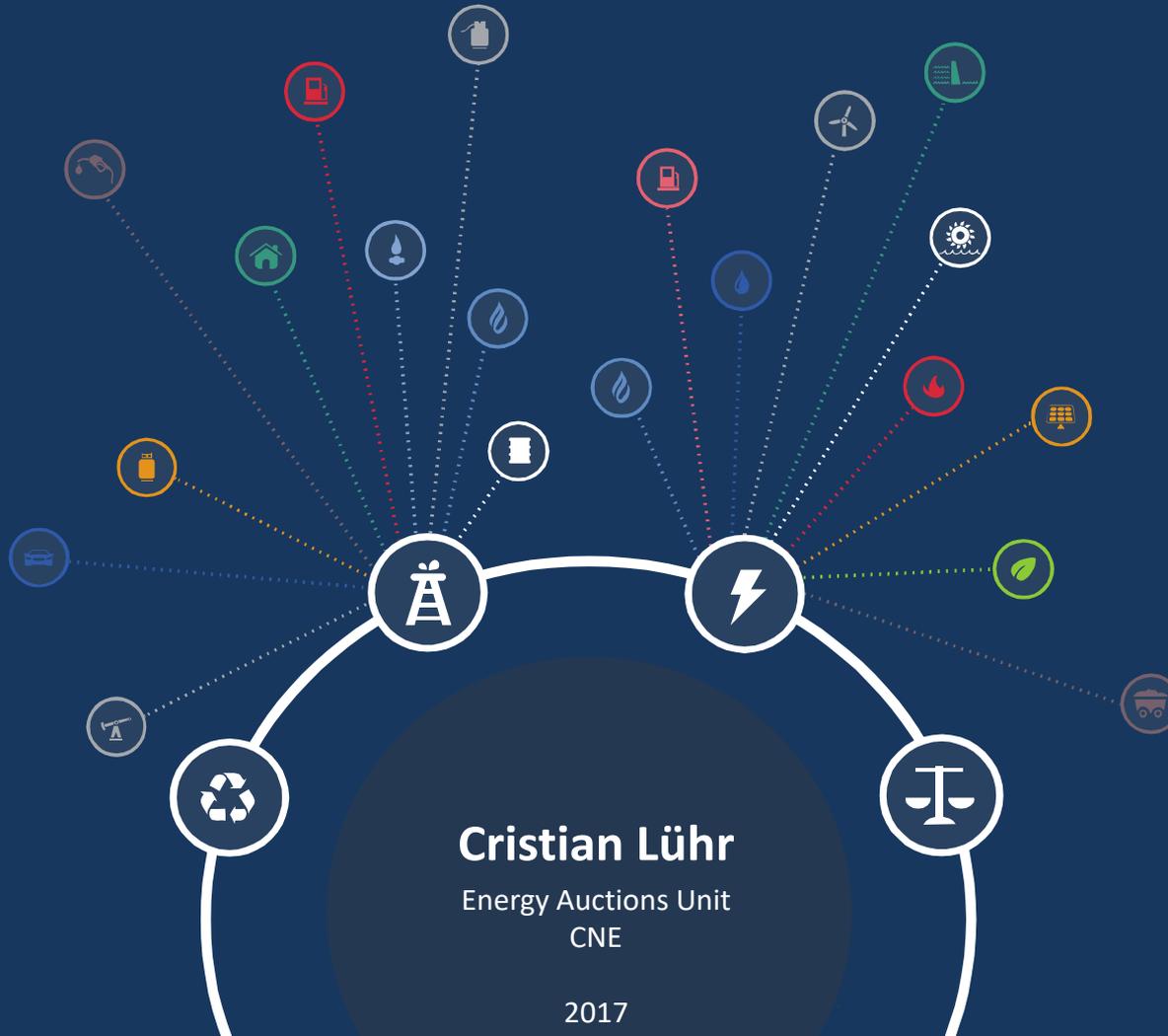


ENERGY TENDERS IN CHILE

National Energy Commission



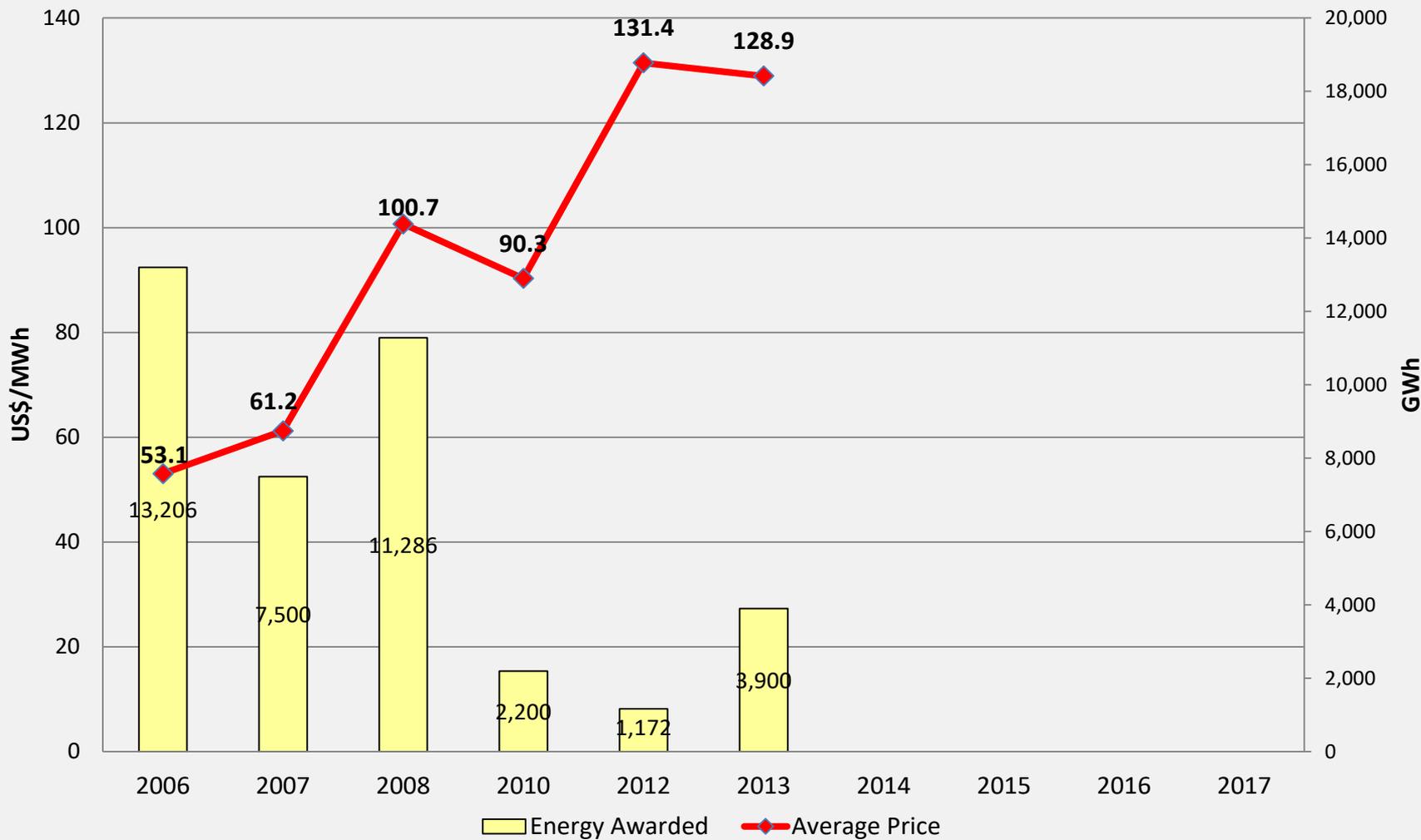
Tenders Law 20.805 (2015)

- ▶ Objective: Award long-term contracts with fixed energy price (USD) + indexation
- ▶ Contract establishes maximum amount of annual energy committed by generator
- ▶ Billing considers only the actual energy being consumed monthly by distributors
- ▶ Responsibility of the process: CNE
- ▶ Annual tenders' report with demand forecast
- ▶ 3 types of tenders defined: Long Term, Short Term and Exceptional Short Term Tender



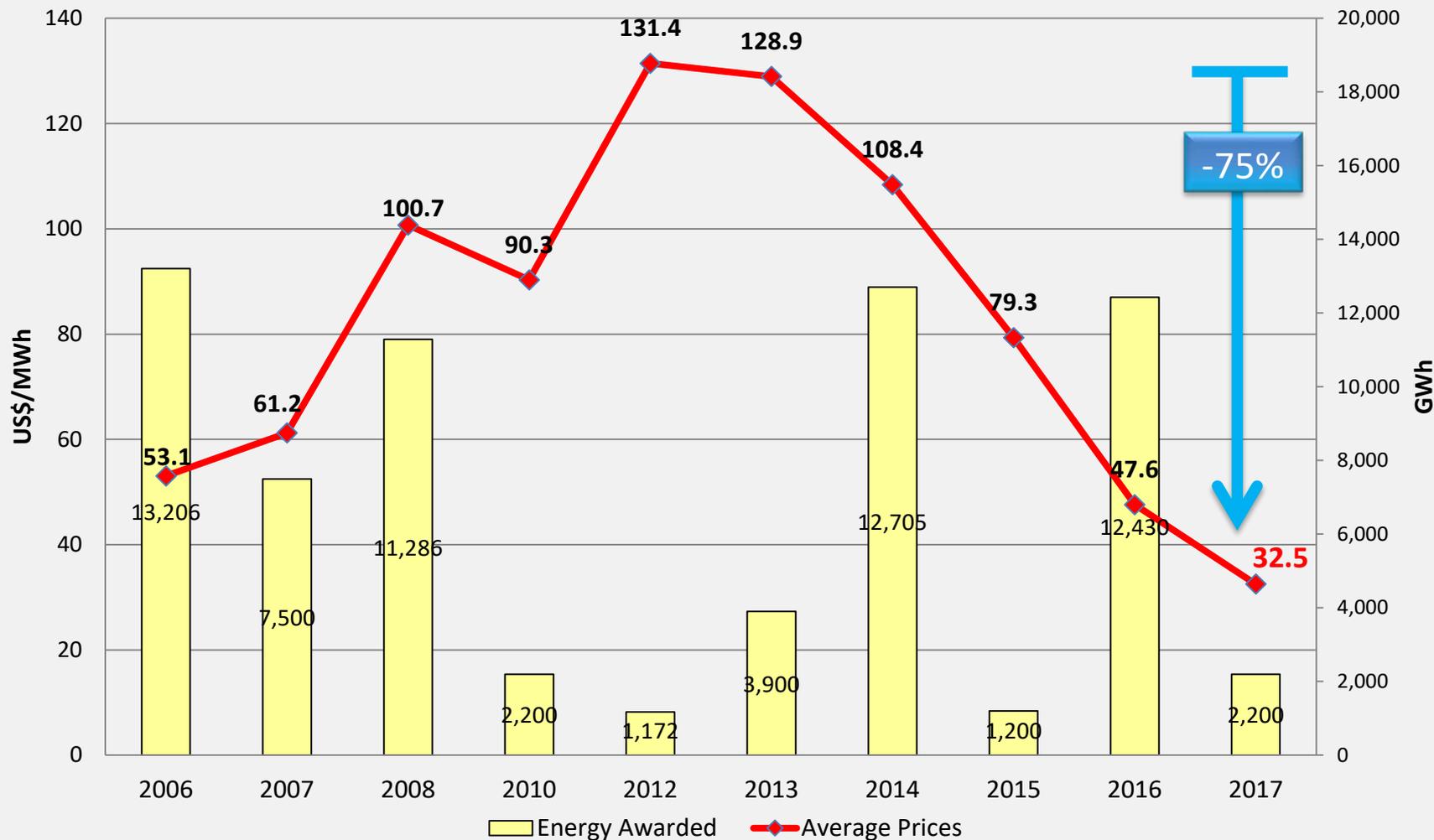
ENERGY TENDERS' RESULTS

AVERAGE PRICE BY ENERGY TENDER PROCESS

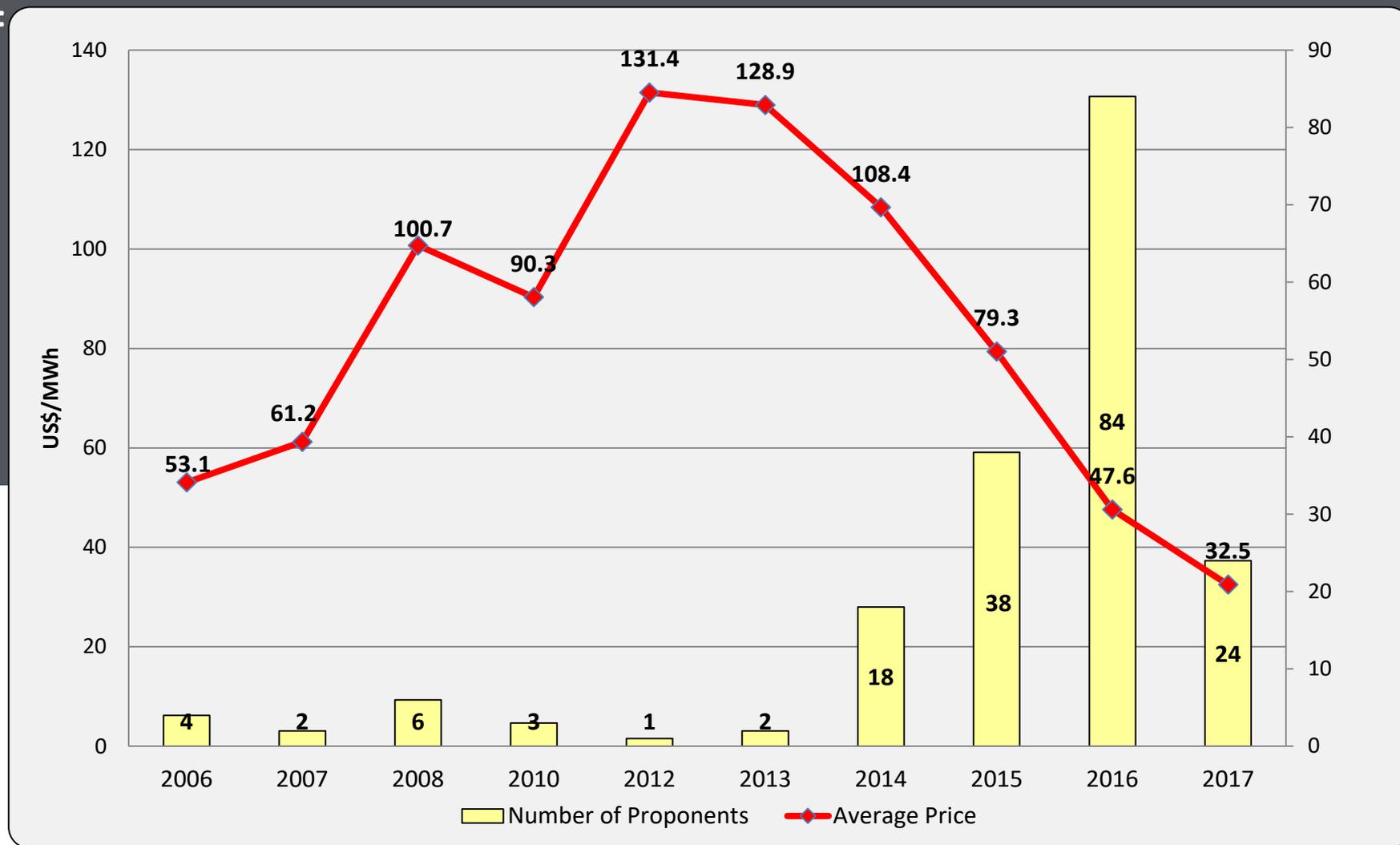


ENERGY TENDERS' RESULTS

AVERAGE PRICE BY ENERGY TENDER PROCESS



INCREASE IN COMPETITION IN ENERGY TENDERS



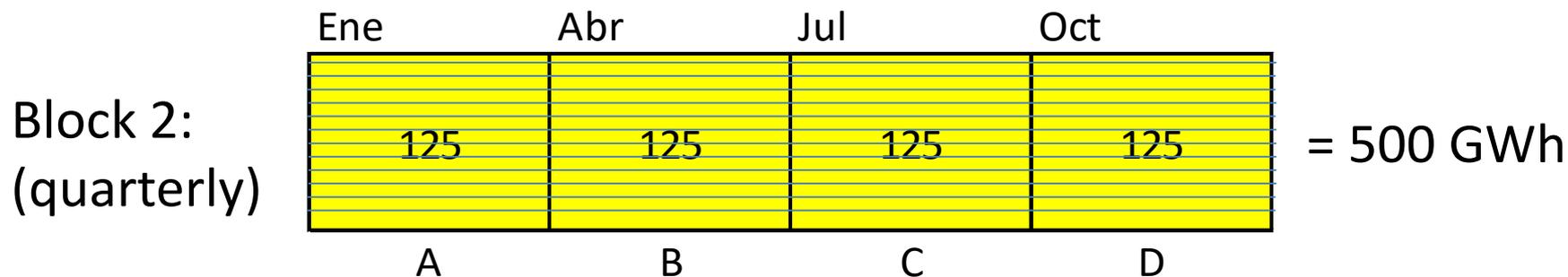
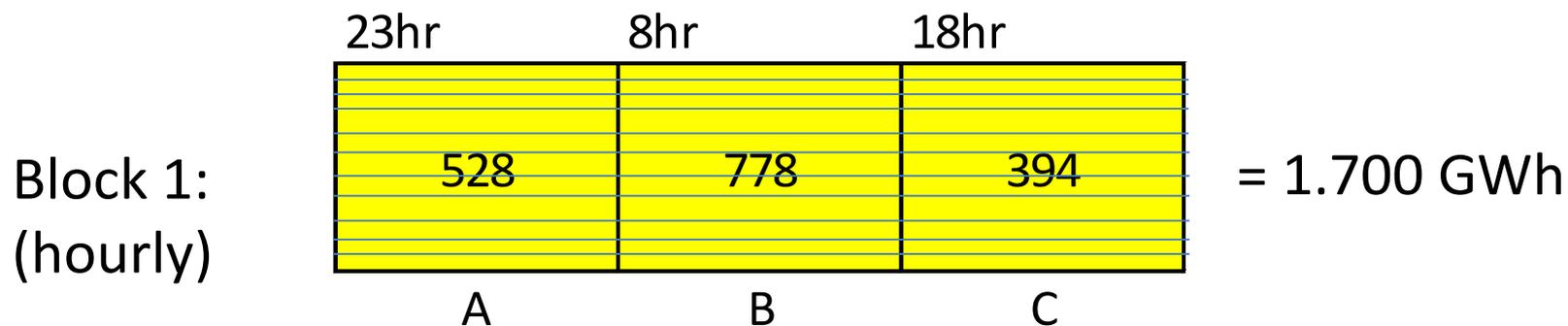
TENDER'S MAIN FEATURES

- ▶ 20-year contract between generator and distributors
- ▶ 5 years until beginning of supply
- ▶ Supply includes all distribution companies of Chile
- ▶ Technology neutral
- ▶ Innovative design for energy blocks (hourly/quarterly)
- ▶ Maximum price is hidden
- ▶ Bids are assessed according to their indexation formula
- ▶ Contract price review because of regulatory changes
- ▶ Option to postpone or terminate contract early
- ▶ Option to cede the contract to a third party



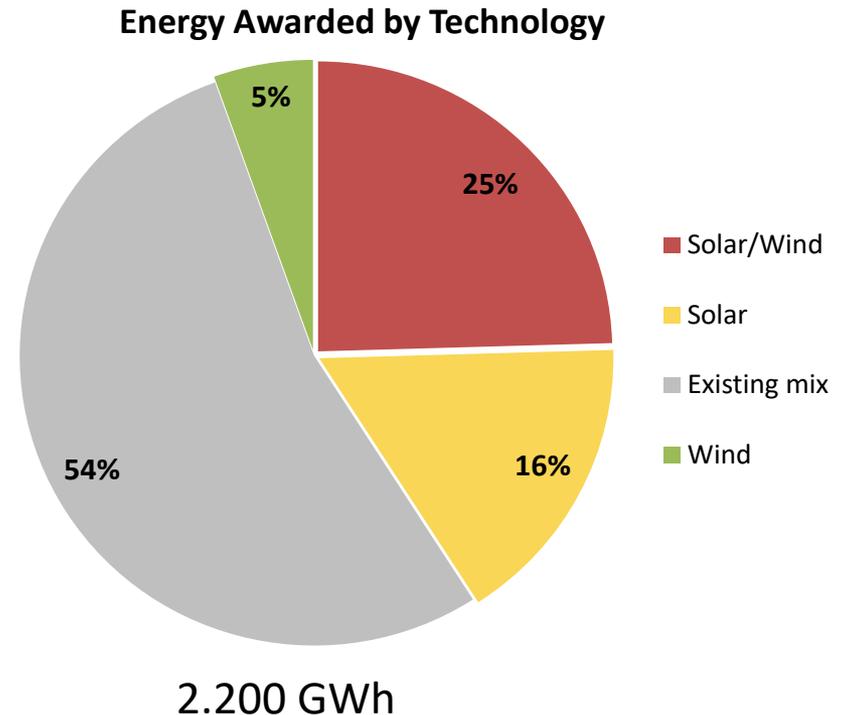
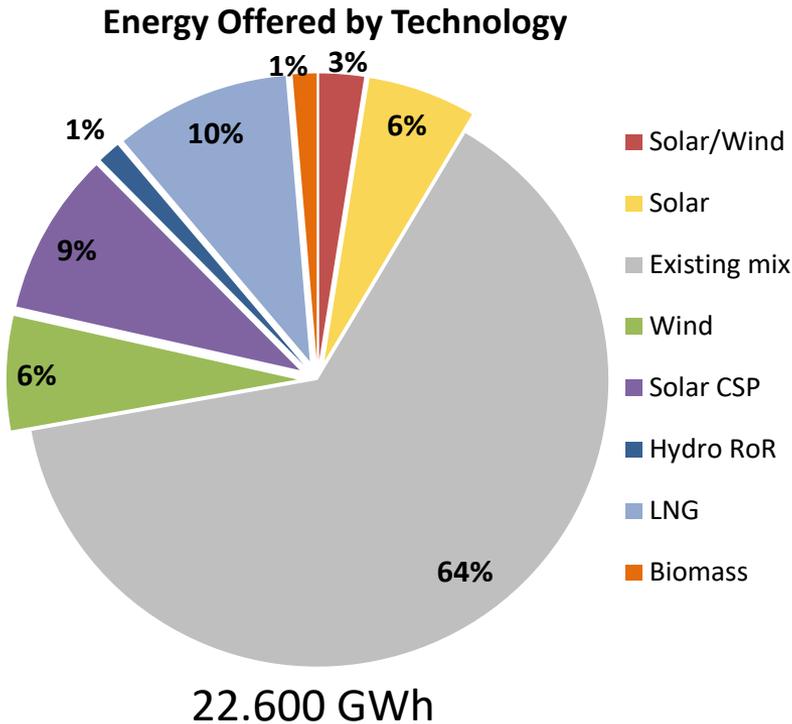
Hourly and Quarterly blocks

- 2017 tender: 1.700 GWh hourly and 500 GWh quarterly
- Allows participation of mini-hydro and NCRE projects



2017 Tender Results

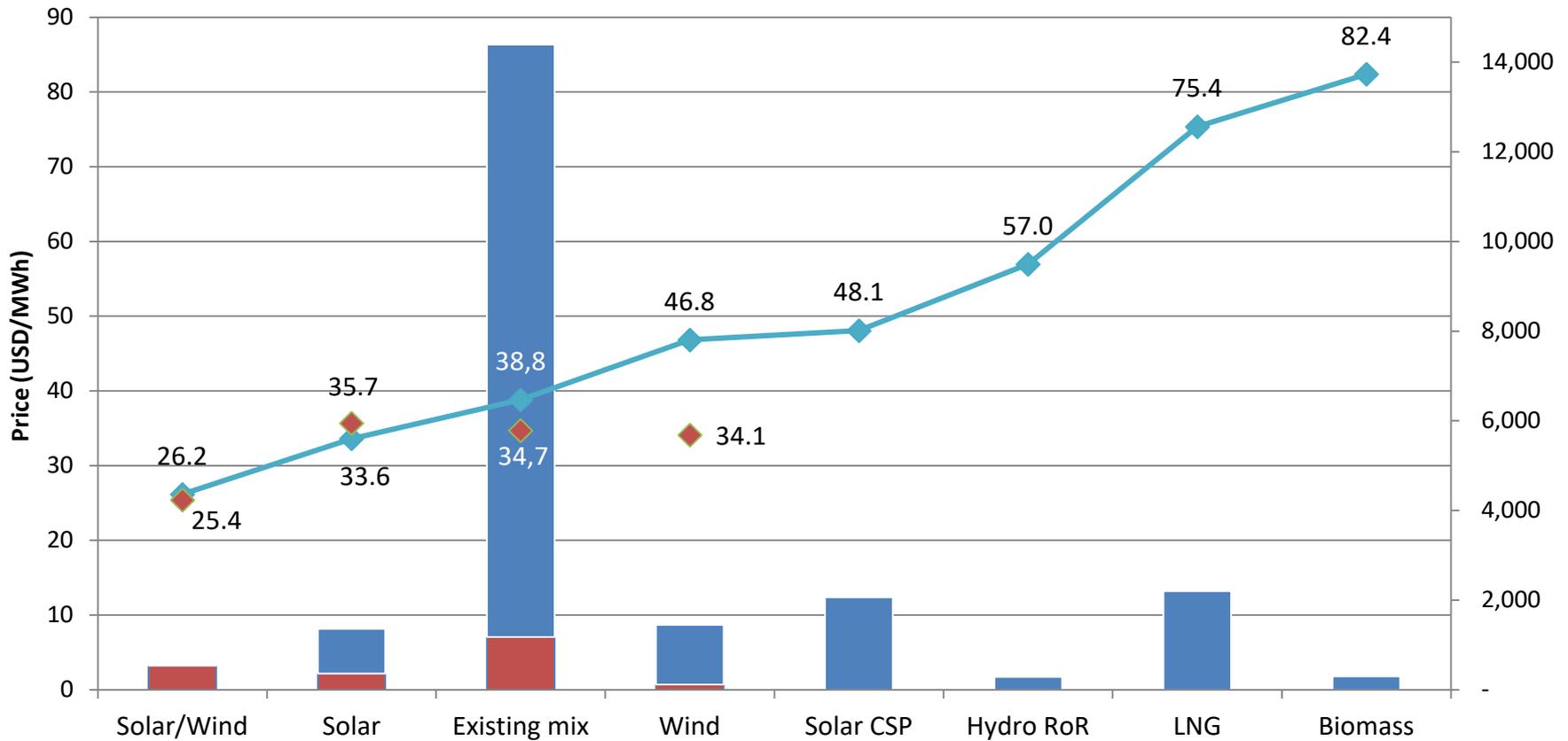
Energy offered v/s awarded by technology



- Energy offered was 10 times more than energy auctioned!
- Solar/Wind and pure Solar were the most successful technologies

2017 Tender Results

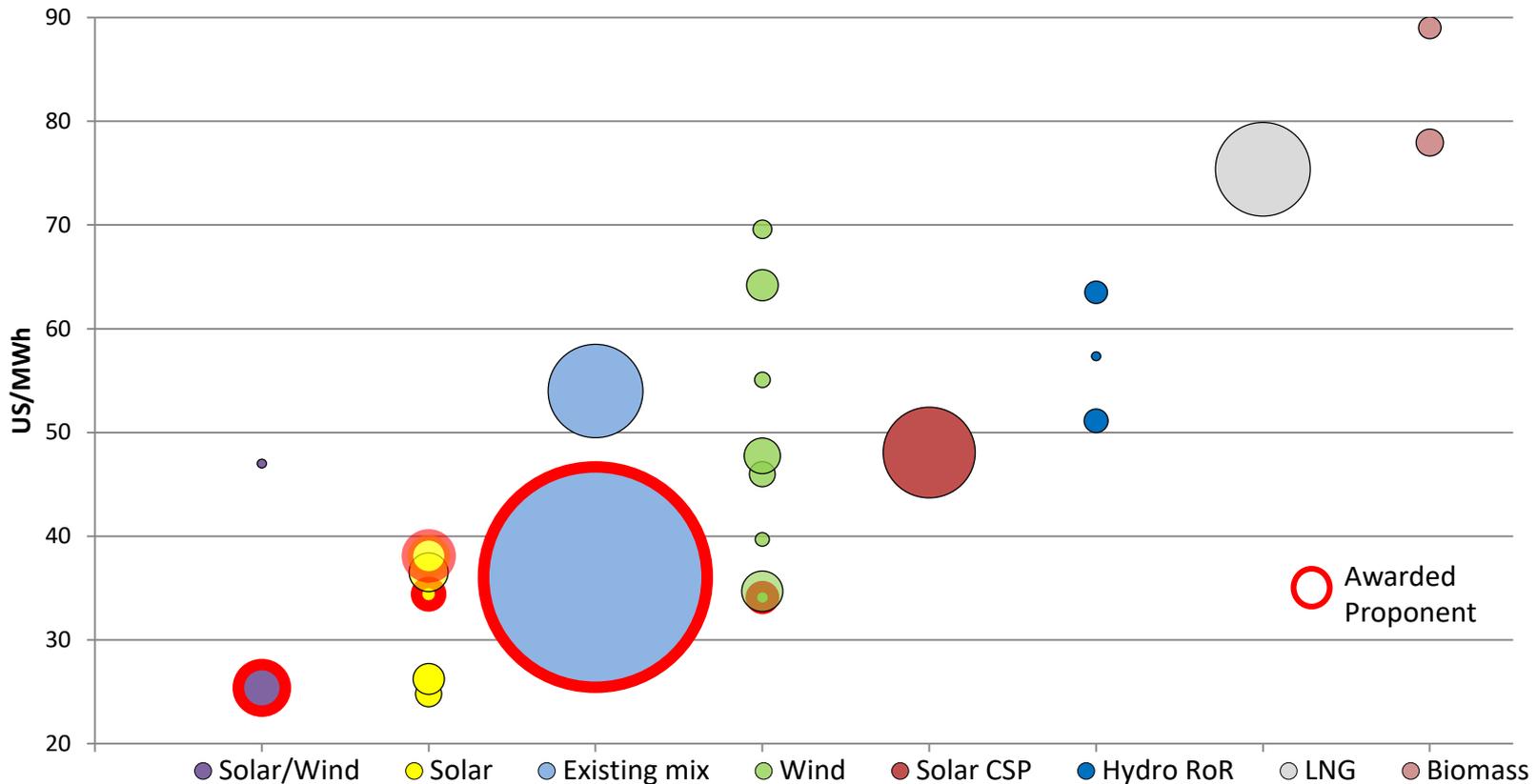
Energy and prices offered v/s awarded



→ NCRE projects win over more traditional energy sources

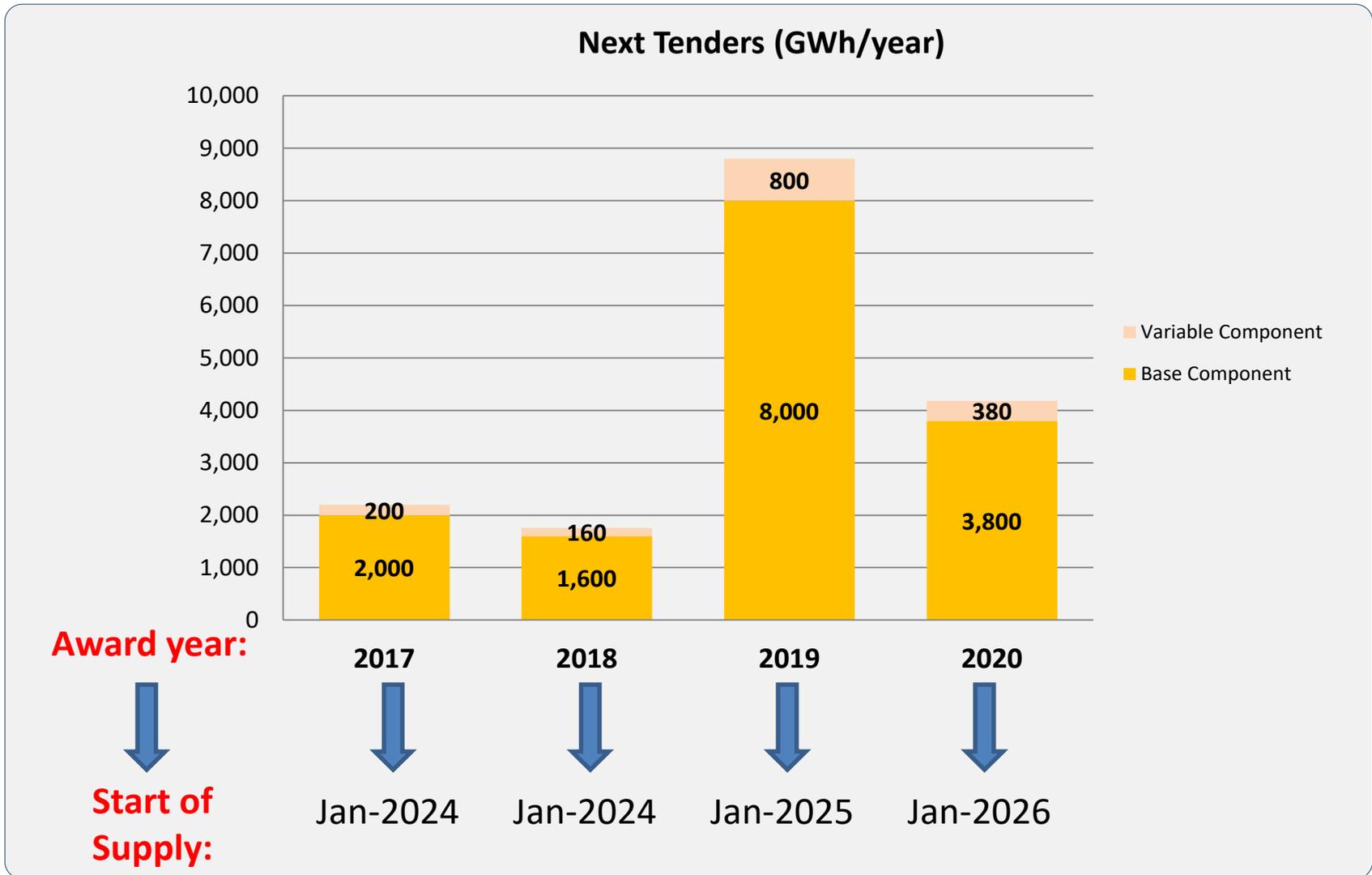
2017 Tender Results

Price bids by technologies



→ Average offer price: **42,8** USD/MWh

→ Average awarded price: **32,5** USD/MWh



THANK YOU

National Energy Commission