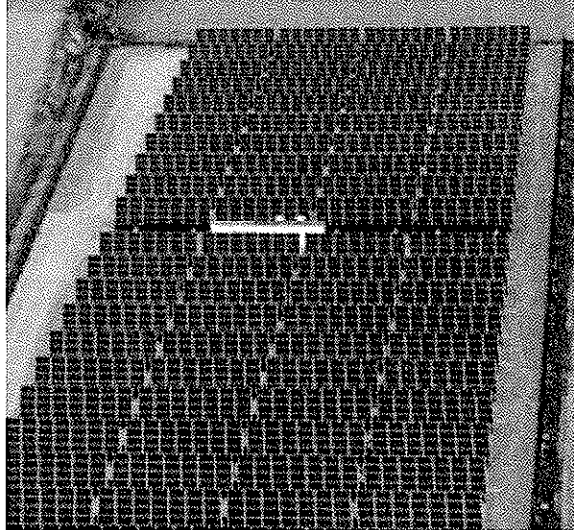


Italian solar developer seeks financing for 29 MW pipeline in Italy and France



Source: REUTERS

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Solar Ventures Srl., an Italy-based developer of solar photovoltaic projects, is seeking debt financing for a combined project pipeline of 29 MW in Italy and France. In an interview with Clean Energy pipeline, Solar Ventures CEO Michele Appendino said that the company is looking to finance four projects totalling 20 MW in Italy in Q1 2011, and two French projects with aggregate capacity of 9 MW in Q2. The company will project finance all of the solar installations through equity and debt financing to be raised from Italian and French banks. The Italian projects break down to one facility of 10 MW, one of 6 MW, another of approximately 2MW and an integrated rooftop installation of 1 MW. They are located across Sardinia, Puglia and Piedmont. The French projects are 5 MW and 4 MW respectively.

Appendino described these projects as ones that were scheduled to be financed in 2010 but ran slightly late. For 2011, Solar Ventures is still evaluating how much capacity to develop and where. The company is waiting to see what kind of pricing will emerge for 2011 photovoltaic development. Appendino expects Italy to remain the company's core market due to the well-structured feed-in tariff system in operation there. Though Italian tariffs will be reduced by 6% each year from 2011 to 2013, the cuts will take place incrementally, quarter-by-quarter. This offers strong stability and predictability.

In the longer term, Solar Ventures is continuing to evaluate options to develop projects in other Mediterranean countries, including Turkey and Jordan. However, according to Appendino, Middle East and North African ("MENA") markets are subject to two limiting factors on solar development. "Firstly, there is not much room to operate because there is limited grid connection," he said. "The one exception was Turkey, but that leads to the other problem – when it was announced there would be a feed-in tariff in Turkey the market became over-crowded with developers looking for opportunities. Now, the tariff there has still not been approved." One other market the company is taking a look at is the UK, but Appendino has concerns that the government may already be seeking to announce changes to the tariff there. "It is an interesting opportunity, if the tariff remains," he said.

ATTACHMENTS: