



Non-Technical Issues Business Models for Development



Energy and Finance Sectors

-electricity costs will rise



Why Are Electricity Prices Increasing?

An Industry-Wide Pers

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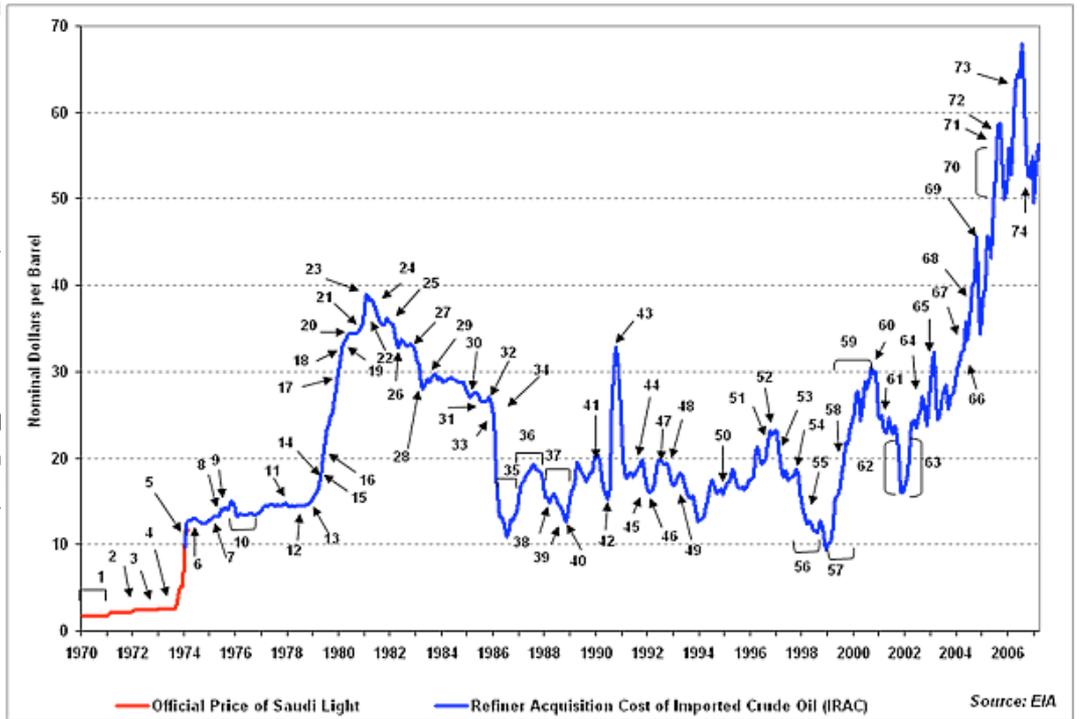
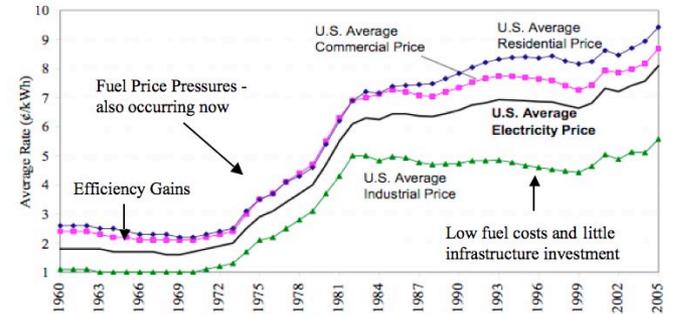
The Brattle Group

Prepared for:

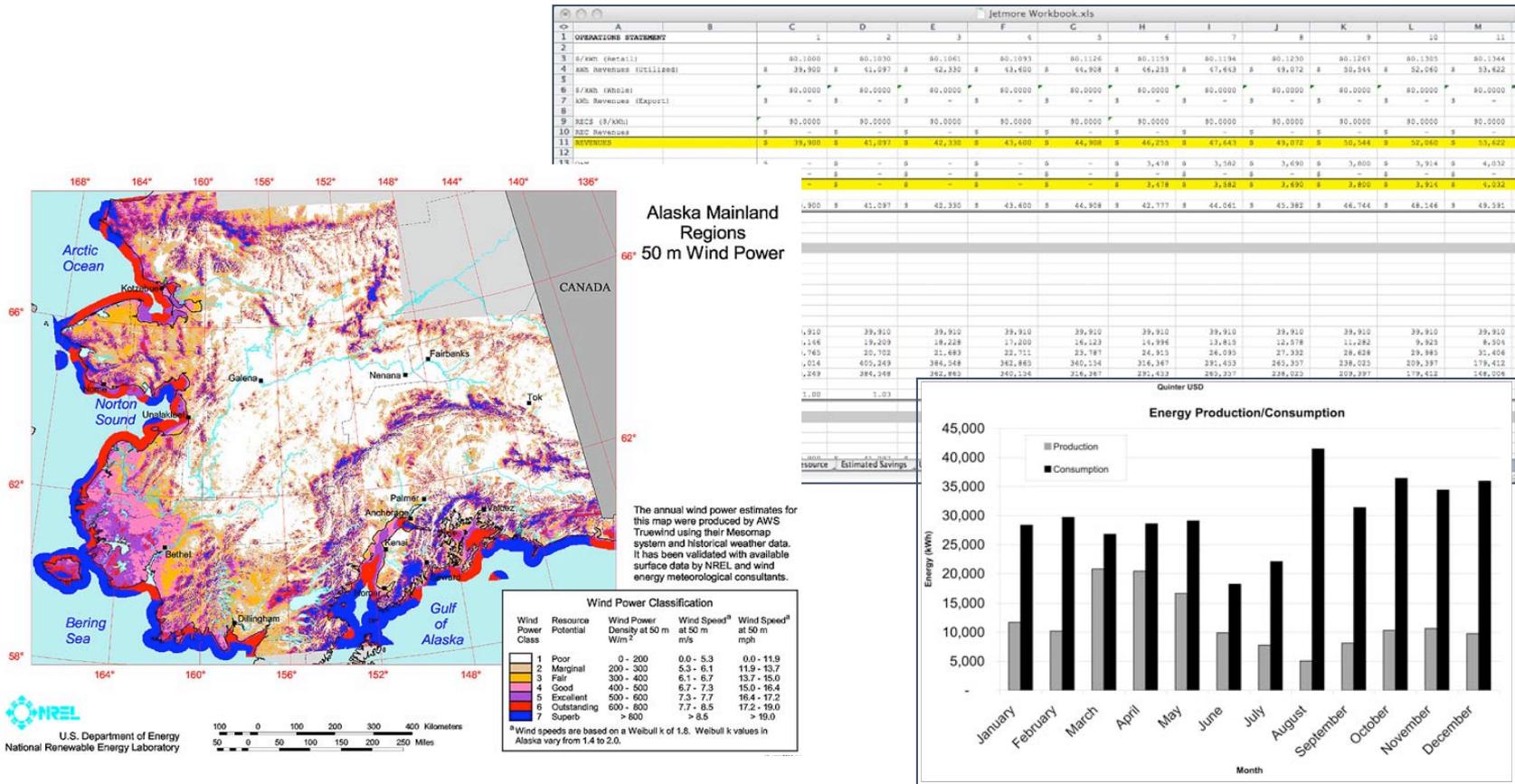


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U.S. Electricity Prices by Class of Customer (\$ Nominal)

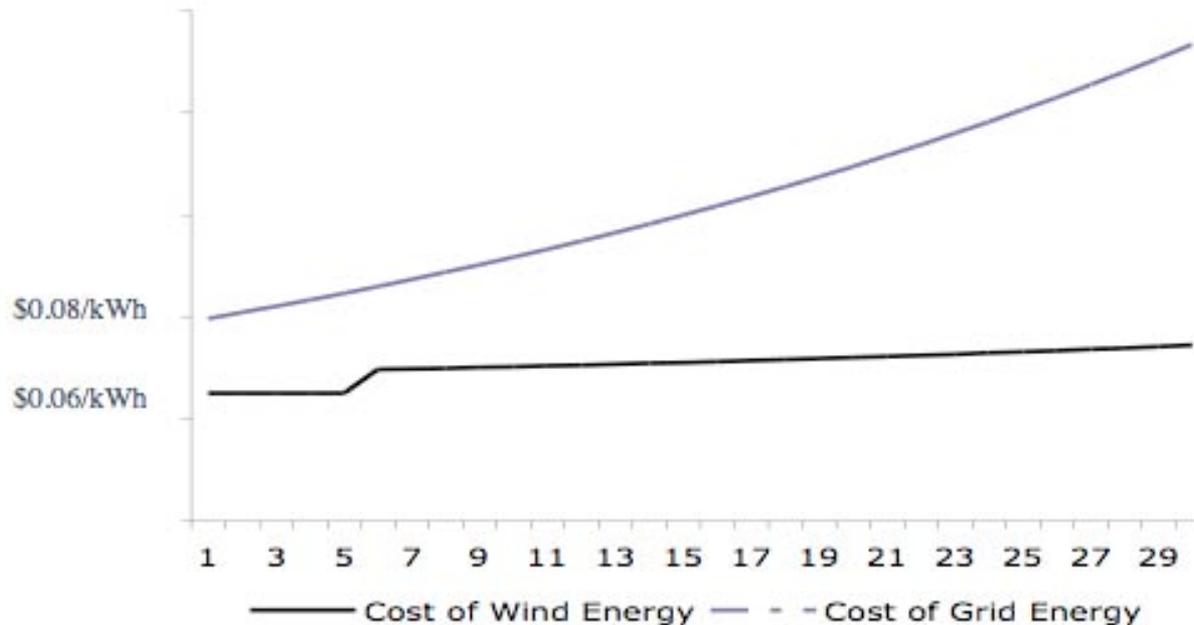


Is distributed wind a good choice?

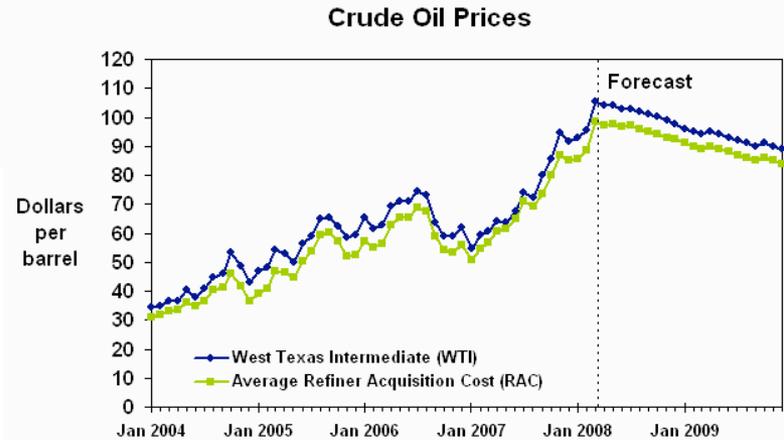
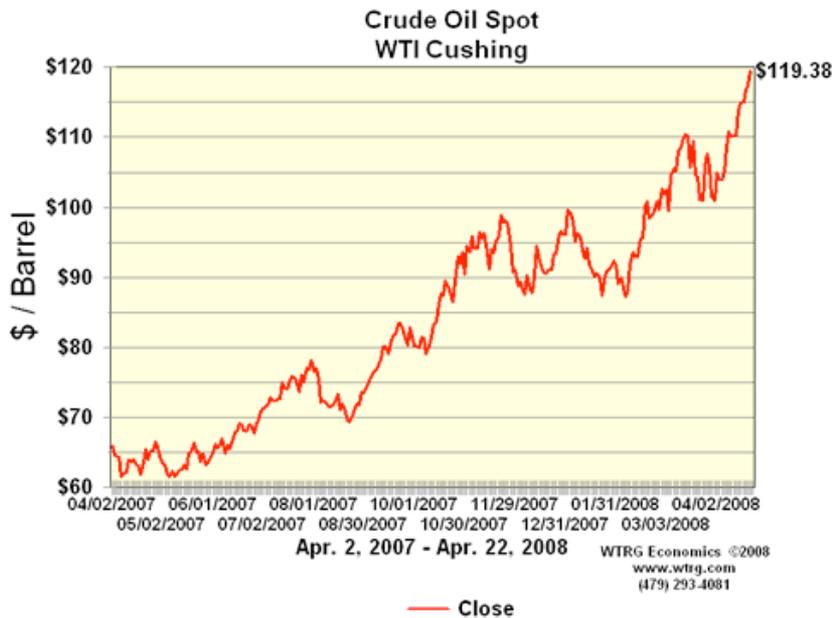


Wind Energy vs. Grid Energy

Wind Vs the Grid - Annual Cost Comparison over 30 Years
90,000kWh Production \$0.11/kWh 30 Year Straight Line Depreciation



AK Perspective: Cost of Diesel: up 24% since last meeting (1/11/08)



Short-Term Energy Outlook, April 2008



How to Free the Market?

- How much is “free”?
 - Opportunity cost?
- LIFO Feed-in example?
- PCE variant?



Standard Ownership Models

- Purchase/Finance
 - No grants?
- Lease-Purchase
- Lease
- PPA/Flip
 - Requires larger projects
 - Very attractive to investors
 - Consider faster flip?



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