

Project Finance Modeling
for
Renewable Energy

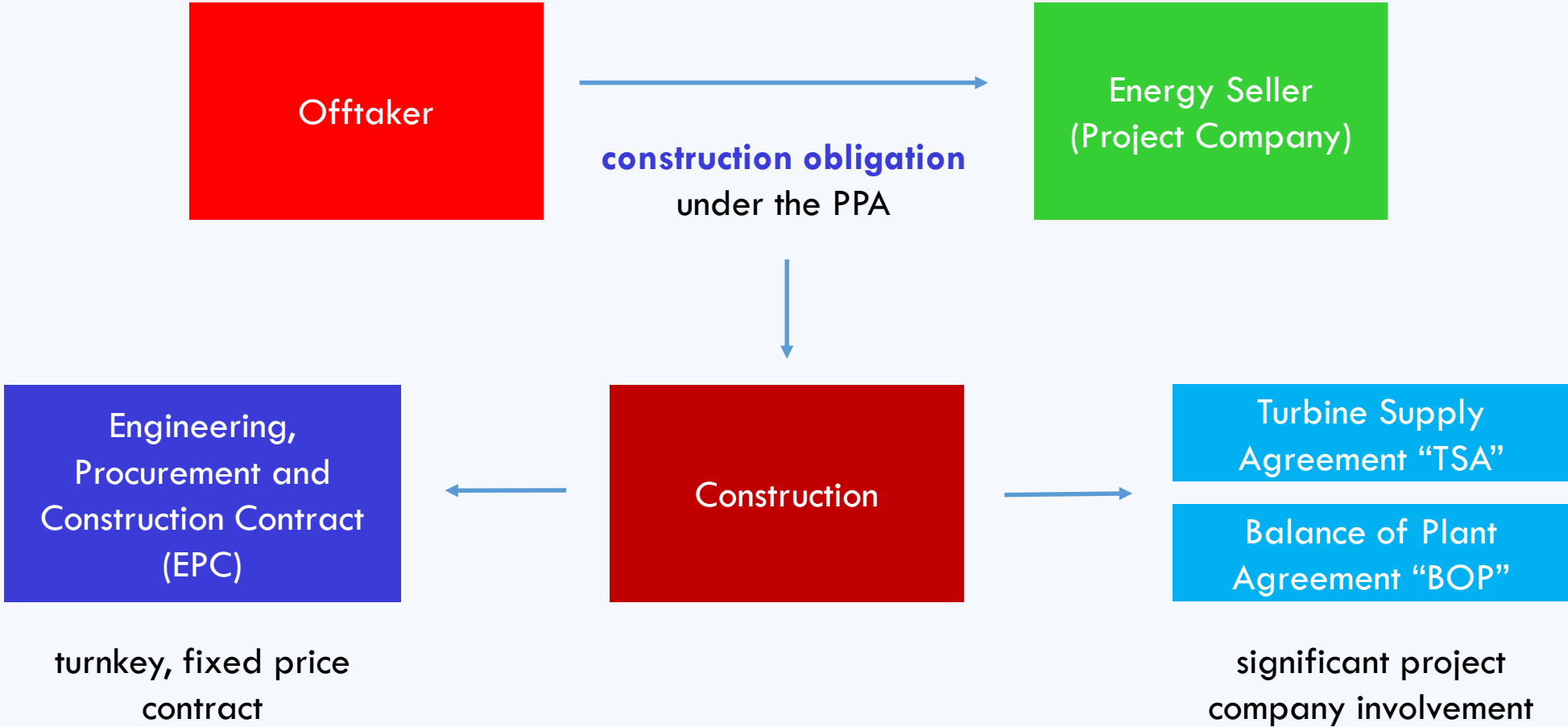
Construction

Construction Costs

Onshore Wind Project Cost
\$1,000 – \$2,000 per kW
Average \$1,450 / kW

Solar PV Utility Scale Project Cost
\$800 – \$2,200 per kW (AC)
Average \$1,600 / kW (AC)

Construction



Benefits & Drawbacks



single point of responsibility

fixed contract price

fixed completion date

minimum performance standards

expensive

multiple contractors

significant interface risk (coordination)

cost saving

Objective

Key objective with EPC contracts, TSA and balance of plant equipment contracts is to achieve **date and price certainty**.

Construction Timeline Under EPC

