

PostScriptum Ventures is now looking to sell the 158 MW Cibuk I wind power plant (WPP) project that its Continental Wind Partners (CWP) unit is developing in Serbia.

The Cibuk I WPP, with total costs seen at around 300 million euro, is fully permitted and is awaiting the final text of a model Power Purchase Agreement (PPA) before deployment, Crandall said.

The wind park project is half way to securing financing from the European Bank for Reconstruction and Development, the International Finance Corporation and the Overseas Private Investment Corporation as the financiers are also waiting for the model PPA before approval of their respective loans.

Formally speaking, German development bank DEG is not yet involved in the potential financing structure because of the way the lender's process works. Before the financing is approved the PPA has to happen and then they will consider whether to actually do it or not, Crandall said.

"I think they probably will want to do it because it is totally consistent with their philosophy but formally speaking they are not there yet. I suspect we will see them there six months from now but it is up to them," the official said.

Commenting on the absence of any installed wind power capacity in Serbia, Crandall said that the only problem is that there is no model PPA drafted by the country's energy ministry yet.

"The Serbian government issued a new draft of the model PPA three weeks ago and they asked for comments to be delivered by last week. All the banks made comments and now sometime in the next month probably they will release the final version of this text. If it is acceptable to the banks, everybody will finish their financing and we'll have 500 MW of wind farms being built by April," Crandall said.

The absence of a model PPA means that investors are not able to secure financing, forcing them to keep their projects on hold.

CWP was established in 2006 as a wind project developer focused on the Balkan countries with expertise in developing, financing and building wind energy projects. CWP's strategy is to develop greenfield projects and subsequently monetize its participation in projects to major utilities. The company does not own any operating assets.

source: Seenews