

## List of requirements for hydro power projects

### 1 General Project Information

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Detailed description of the project including all important parameters

Exact position on site

Zoning map (development plan)

List composed of all land owners which are affected by the building sites, transformer stations, weir and access roads

List of all land owners affected by cable lines cabling, delivery lines to transformation stations, transmission station and telephone connection

### 2 Technical aspects

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#### 2.1 System engineering

Key components from established suppliers

Construction and engineering done by experienced contractors

Specific requirements for the given location (derivation channels, fish pass etc.) are considered

Technical due diligence carried out by independent 3<sup>rd</sup> party

Functioning monitoring system available

Utility interconnection requirements (relevant feeding point, electrical compatibility test requested from local utility, metering point defined, etc.)

Sufficient warranties on key components and works

#### 2.2 Yield assessment

Are there long term water flow measurements available provided by relevant intuitions

Is there a flow duration curve and estimated flow data verified by independent institute available

Sources of uncertainty explicitly named in energy-yield assessment study

Technical and environmental availability of hydro power plant has been taken into account in calculating the energy production

### 3 Project realization

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#### 3.1 Project planning

Feasibility study is available

Legal, financial and technical due diligence are available

Risk matrix with mitigation strategy has been provided

All risks have been sufficiently assigned to the party that can best assess the risk

Planning carried out by experienced technical office

### 3.2 Construction and permits

- Construction and environmental permits have been obtained
- Completion guarantees agreed with contractor

### 3.3 Site securing

- Audit of land register documents for all parcels affected carried out
- Ownership structure is clear with ultimate beneficiary owner identified
- Transport connection of the site appropriate for construction and maintenance
- Conflicts with owners and adjacent owners are not expected

## 4 Plant operation

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- O&M carried out by experienced O&M contractor
- Sufficient warranties on key components
- Sufficient accruals reserved for maintenance and repair costs
- Operative costs contractually fixed

## 5 Financing conditions

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- The financial model is plausible and realistic
- Interest rates fixed after financial close for an adequate period of time (e.g. through interest rate hedging transactions)
- Sensitivity analysis on essential parameters has been carried out
- Debt service provisions have been made and corresponding stress-tests have been carried out

## 6 Legal aspects and insurances

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- Environmental impact assessment has been carried out and essential environmental issues are listed, known and predictable
- Shareholder structure has been analyzed and potential conflict of interest has been identified and mitigated
- Appropriate collaterals according to the nature of transactions are in place (pledges of shares, accounts, etc.; assignment of rights, transfer of title, etc. )
- All relevant insurance contracts are available and have been examined
- Grid connection study and preliminary agreement are available
- Preliminary PPA is available (with satisfying conditions especially regarding priority feed-in and compensation for shut downs caused by grid operator)

## 7 Regulatory framework

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- Breach of Contract (violation of PPA, Feed-in tariff agreements, etc.) is not probable
  - If exchange rates risks are applicable, foreign exchange risk hedging (futures, options, swaps) are available
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