



# **MPC** **CARIBBEAN CLEAN ENERGY**

## **Communication of change of methodology for tariff band calculation for wind power assets in Costa Rica**

Please be notified that Tila Wind Corporación S. A. (Tilawind), the project company owning the 21 MW Tilawind wind farm in Costa Rica, was informed by Instituto Costarricense de Electricidad (Grupo ICE), the Costa Rican government-run electricity and telecommunications services provider, that the tariff for this calendar year will be reduced effective as of 10 February 2021.

In accordance with the resolution of the public service regulator (Autoridad Reguladora de los Servicios Público (ARESEP)) RE-0006-IE-2021, this reduction is due to a change of methodology used in the formula to calculate the applicable tariff bands for all power purchase agreements for wind power in Costa Rica. The change of methodology is unprecedented and previously Grupo ICE made annual updates of the input data for the previous formula only. In the process of setting the new tariff bands, a provision is made where those wind power plants with rates above the upper limit shall be adjusted to be below the new limits.

MPC Caribbean Clean Energy Fund LLC (Fund) is in the process of assessing the commercial impact on revenues and overall asset value. In addition, the Fund is consulting with its legal advisor and the Costa Rican Renewable Energy Association (ACOPE).

An initial estimate for 2021 indicates an annual loss of revenues derived from the new tariff reduction and lower generation in January is projected to be 8.94% compared to the forecast.

Tilawind is a 100% subsidiary of CCEF ANSA Renewable Energies Holdings Limited in which the Fund holds a 50% shareholding. The Fund is the “Investment Company” in which MPC Caribbean Clean Energy Limited exclusively invests.

Yours faithfully



José Fernando Zuñiga Galindo, Director