



For Immediate Release

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LEI assists diversified renewables company in optimizing the value of its hydro assets

BOSTON, December 7, 2009 – Understanding regional market dynamics can enable companies to increase the value of their generation assets. Through detailed knowledge of New England energy and renewable energy credit (REC) markets, London Economics International LLC (“LEI”) assisted client Ampersand Gilman Hydro LP (“AGH”) in obtaining a long term offtake agreement with Central Vermont Public Service (“CVPS”). In addition, LEI advised AGH on obtaining the highest value RECs associated with improvements to the site. “New England REC markets are complex,” noted Lutz Loegters, vice president for hydro operations at Ampersand Energy Partners, AGH’s parent. “By working in conjunction with LEI, AGH was able to achieve the best value for the output from its hydro stations.”

In New England, generators can benefit from the sale of energy, capacity, RECs, and ancillary services. However, sales of these products need to be actively managed. Generators need to interact with ISO-New England, state regulators, brokers, and bankers. Issues include REC qualification, balancing term and credit requirements, considering whether to offer firm or non-firm products, and assessing whether the transactions on offer are consistent with current expectations of the forward curve. Through sophisticated proprietary models, a library of up to date databases, and the years of experience of its principals, LEI is able to advise on all of these important questions.

“Conditions in New England power markets are quite dynamic,” notes LEI senior consultant Cherrylin Trinidad. “Depressed demand and low natural gas prices have resulted in a dramatic shift in price expectations in the region over the past two years.” For developers of renewable energy assets, this makes regional market knowledge all the more important. Renewable energy project developers in New England must remain aware of requests for proposals (RFPs), register for REC eligibility in the most favorable states, obtain favorable financing, and minimize the costs of maintaining site control while development is taking place. Ms. Trinidad adds, “for a number of developers, being able to work with a company like LEI in assessing these matters helps the client obtain the best pricing and financing for its projects.”

LEI continuously models New England markets, and can provide forecasts of regional power prices expeditiously for clients. In addition, the firm's unique market knowledge helps to identify where future RFPs are likely to appear, and how offers can be configured.

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London Economics International LLC (LEI) is a global economic, financial, and strategic advisory professional services firm specializing in energy and infrastructure. The firm combines detailed understanding of specific network and commodity industries, such as electricity generation and distribution, water and wastewater provision, and natural gas distribution, with a suite of proprietary quantitative models to produce reliable and comprehensible results. For further information on LEI, please contact Cherrylin Trinidad at (617) 933-7229 or go to www.londoneconomics.com.

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