



For Immediate Release

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## **LEI's modeling skills and market experience facilitate bidder participation in the Colombia market**

BOSTON, MA, Jan. 14 2016 - After a 6 month hiatus, the Government of Colombia resumed and completed the controversial sale of its 57.6% stake in ISAGEN - one of Colombia's largest generating companies, for \$ 2 billion US dollars. As part of the due diligence process, London Economics International LLC ("LEI") was hired by one of the prospective bidders to evaluate the performance of ISAGEN's portfolio in the long run, under variable market outlooks.

Given the Colombian power system's dependence on hydropower generation, LEI ran a Monte Carlo probabilistic analysis to reflect the impact of weather conditions on hydrology and power plants' output. LEI then used its proprietary dispatch/cost production software PoolMod, to model the dynamics of the Colombian power market, and derive energy price forecasts under the set of simulated hydrology conditions.

LEI's modeling results confirmed the firm's optimism about the strengths of the Colombian market fundamentals, despite the impacts of El Nino on reservoirs' levels, as well as ongoing regulatory shortcomings and overall market challenges.

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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. London Economics Press ("LEP") publishes concise and meaningful overviews of key electricity markets worldwide (including New York, New England, PJM, SERC, Midwest ISO, CAISO, ERCOT, WECC, SPP, Ontario, and Alberta), and also offers price forecasts for wholesale electricity prices and capacity market prices. These reports are available through [www.londoneconomicspress.com](http://www.londoneconomicspress.com). For further information on LEI or LEI's Latin America practice area, please contact Managing Partners AJ Goulding or Julia Frayer at (416) 643-6610 or visit [www.londoneconomics.com](http://www.londoneconomics.com).