



Program for Scaling up Renewable Energy in Low-Income Countries (SREP)

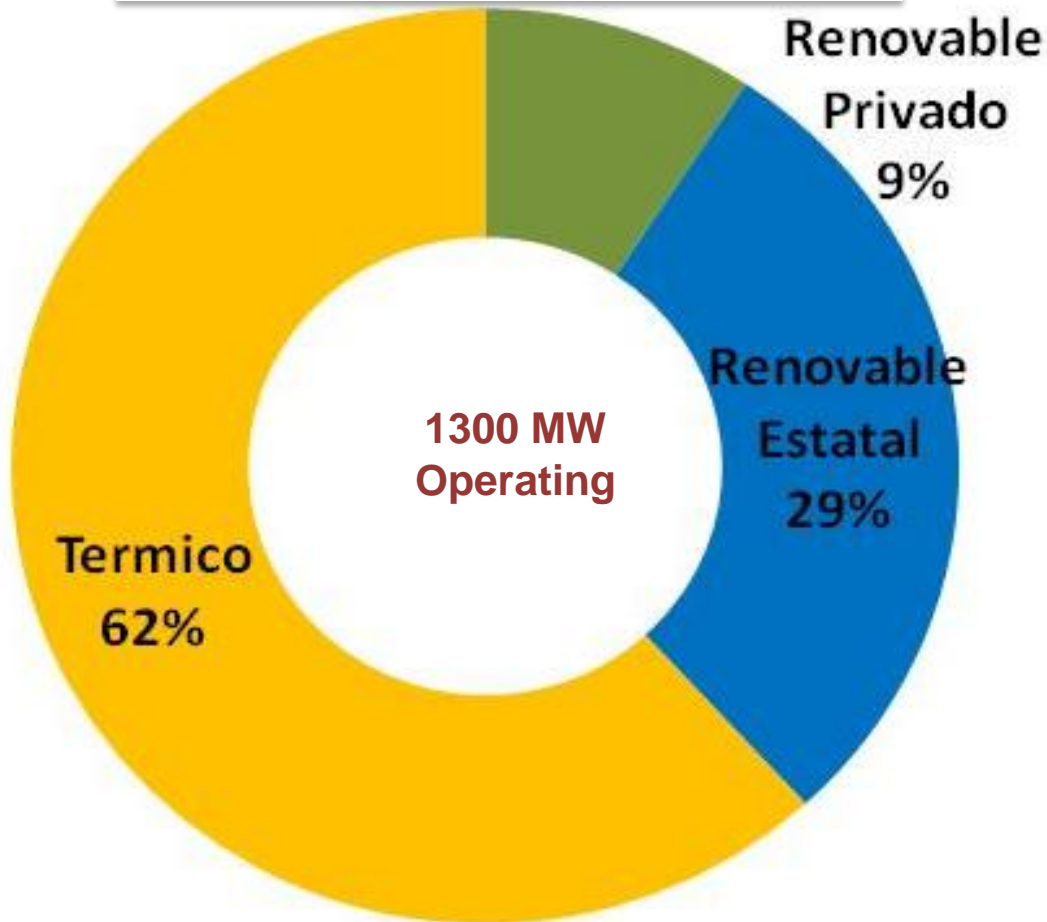
Honduras Renewable Energy Sector *Sustainable Development*

***SREP Pilot Country Meeting
November 11, 2010, Washington, D.C.***



Energy Sector Background

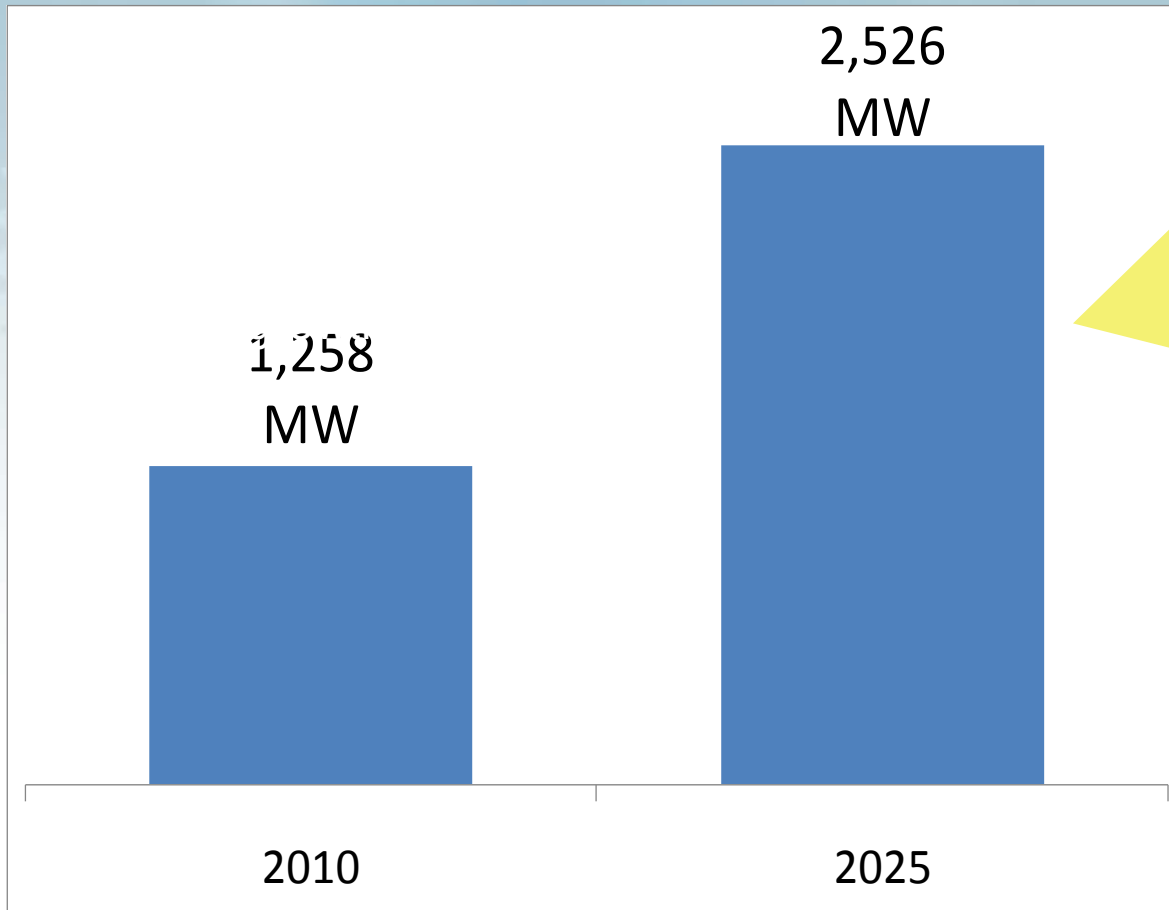
Energy Matrix 2009



Electricity Sector Background Projected Demand



Projected electricity demand in 2025



- It is expected that electricity demand will double in the next 15 years
- Annual growth average rate of close to 5% (conservative estimate)
- Tight supply relative to increasing demand

ISSUES



- ✓ Reactive Planning
- ✓ Insecure Energy Supply
- ✓ Poor Access to Electrical Services
- ✓ Lack of Investments in Transmission Lines
- ✓ High Energy Rates





1. Country Vision Plan 2010-2038
2. Electrical Sub-Sector Law (Decree 158-94) and related reforms
3. Renewable Energy Promotion Law.
(Decree 70-2007).
5. Protection and Promotion of Investment Law.
6. Climate Change Strategy (socialization)



Achievements



- 17 Projects certified under CDM (316,954 tons of CO2 reductions per year): Small scale hydros, biomass and biogas
- 110.7 MW of installed capacity by small scale projects (under 13 MW)
- Renewable Energy Bid: 250 MW purchased by ENEE, 450 MW for grand consumers and regional market. 700 MW.
- ARECA – Guarantee Program
- SIEPAC- Regional Market

Challenges



- Diversify existing energy matrix
- Strengthen long-term sector planning
- Reduce Generation cost for ENEE
- Innovative Financial Products (guarantees, project financing)
- Capacity building for developers, public sector decision makers
- Increase investments for both grid extension and existing transmission infrastructure

Potential Role of SREP



- Mobilizing stakeholders (public, private, and multilateral) and financial resources
- Tapping into the large renewable potentials for electricity generation, including small hydos, geothermal, wind, and biomass;
- Expanding electricity coverage in a cost effective manner, including both grid extension and off-grid applications and productive uses
- Strengthening sector planning and regulating capacities
- Creating in-house human and technical capacities in RE in the government agencies



SAVE THE DATE

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San Pedro Sula, Honduras

March 3 & 4, 2011

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Thank You