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Industry overview

We expect to benefit from continued high growth in clean energy demand across the utility, commercial and residential customer segments. We believe the solar and wind segments of the clean power generation industry are particularly attractive, as declining solar and wind electricity costs and increasing grid electricity prices are trending towards grid parity in emerging markets. We also believe the hydro-electric segment of the clean power generation industry represents an attractive market given its long-term contracts with creditworthy counterparties, significant installed base, extended useful life and prospective acquisition opportunities.

Solar energy benefits from highly predictable energy generation, the absence of fuel costs and proven technology. In addition, solar generating assets have the potential to be located at a customer's site, which reduces the customer's transmission and distribution costs. Finally, solar energy generation benefits from governmental, public and private support due to the environmentally friendly attributes of solar energy.

The increasing adoption of wind energy across the globe relative to other power generation technologies is expected to be driven by its increasing cost competitiveness, broad resource availability, well established technology, non-reliance on water and ancillary societal benefits, such as job creation and energy security.

Hydro-electric power generation is a well established clean energy technology. Its multiple methods of generation, such as conventional dam, pumped storage and run-of-river, have led to its diverse use in renewable power generation from large-scale (greater than or equal to 50 MW rated capacity) to small-scale (less than 50 MW rated capacity) facilities.

The following charts summarize anticipated growth in our initial target markets:

	Total solar energy generation rated capacity in MW			
	2014 Actual	2017 Expected	2020 Expected	CAGR ⁽¹⁾
China	32,925	85,420	161,881	30%
Brazil	37	1,430	3,654	115%
India	3,259	14,606	31,205	46%
South Africa	1,075	2,588	2,588 ⁽²⁾	16%
Honduras	—	376	376 ⁽²⁾	—
Costa Rica	—	25	25 ⁽²⁾	—
Peru	84	200	200 ⁽²⁾	16%
Uruguay	—	223	223 ⁽²⁾	178%
Malaysia	200	377	639	21%
Thailand	1,197	2,323	2,323 ⁽²⁾	12%
Total	38,778	107,568	203,113	32%