

**20.02.2018****Investors in Renewable Energy Assessed Potential Results of Extending the Support Program in 2025-2035**

Representatives of the RUSNANO Group, the Hevel Group and Solar Systems have presented calculations and effects of the extension of the renewable energy (RES) incentive program for the wholesale electricity and electrical capacity market (WECM) in 2025-2035 (PDC RES 2.0). Alisher Kalanov, head of RUSNANO Management Company's department for prospective projects in the fuel and energy sector, Oleg Shutkin, deputy general director of the Hevel Group, and Mikhail Molchanov, general director of Solar Systems, presented their reports at a meeting with industry journalists and analysts which took place in RUSNANO's office on February 20.

According to company estimates, RES investors are ready to supply localized high-tech equipment in order to start the operation of new solar and wind power plants with a total capacity of 19.8 GW in the s period and ensure the additional export of components for 9.9 GW.

Given the gradual fall in price of the technology, and the increase in localization, RES investors offer an extended payback period for projects relating to the first support program: up to 25 years, as opposed to the previous period of 15 years, as well as the reduction of marginal capital costs by 2% a year for solar power plants and 1% for wind power plants. From 2025 onwards, the proposed capital expenditure limits will be at the level of current world RES prices (about \$ 1500/kW).

Alisher Kalanov, head of RUSNANO Management Company's department for prospective projects in the fuel and energy sector: "Considering the PDC RES 2.0 support program as a state investment project, we can say that, in the long term, it will definitely bring positive financial results for the Russian Federation. The PDC RES 2.0 will enable the wholesale market to save money on next-day market payments (day-ahead market), resulting in total savings of about 6.75 trillion rubles between 2025 and 2060. That includes possible savings of 750 billion rubles from a fall in day-ahead market prices, as early as 2025-2035. The total long-term benefit from implementing the RES support program will amount to about 7 trillion rubles, taking into account tax revenues of about 1.5 trillion rubles from increased power generation and reductions in CO2 emissions with a value of 440 billion rubles."

Oleg Shutkin, deputy general director of the Hevel Group: "Growth rates in the RES sector exceed those in the traditional energy sector. Throughout the world, solar power plants with a total capacity of about 100 GW are opened each year, so it is clear that, globally, the share of renewables in power generation is



increasing. The equipment produced in Russia by Hevel, based on heterostructure technology, is already competitive on the global market. We are now one of the world's top 3 manufacturers of highly efficient solar cells, according to efficiency indicators. We are ready to expand production of solar modules if the RES incentive measures for the wholesale market are extended beyond 2024."

Mikhail Molchanov, general director of "Solar Systems": "Solar Systems launched a solar module manufacturing plant in Podolsk in 2017 in order to ensure localization requirements. During the Soviet period, the company's site housed the largest silicon production plant in the country, but later it was abandoned and was used as a film set for shooting crime TV series. Launching the production of solar power equipment has meant that some of the former plant's skilled engineering personnel, including those who were working in Switzerland and Germany, were able to return to the site. Currently our company can manufacture modules with a total capacity of 160 MW per year, and this may increase in future. After 2024, the RES sector will be faced with a choice: whether to continue in the development of such high-tech manufacturing facilities, or take a step backwards."

**RUSNANO Joint-Stock Company** was founded in March 2011 through reorganization of state corporation Russian Corporation of Nanotechnologies. JSC RUSNANO contributes to implementation of the state policy on the development of the nanotechnology industry by investing directly and through investment funds of nanotechnology in financially effective high-technology projects providing the development of new production facilities in the Russian Federation. Its primary investment focus is in electronics, optoelectronics and telecommunications, healthcare and biotechnology, metallurgy and metalwork, energy, mechanical engineering and instrument making, construction and industrial materials, chemicals and petrochemicals. 100 percent of RUSNANO's shares are state owned. Thanks to RUSNANO's investments, there are currently 95 factories and R&D Centers opened in 37 regions in Russia.

**Management of assets of RUSNANO JSC** is carried out by Limited Liability Company established in December 2013, RUSNANO Management Company. Anatoly Chubais is the Chairman of its Executive Board.

Work to establish nanotechnology infrastructure and carry out educational programs is fulfilled by RUSNANO's **Fund for Infrastructure and Educational Programs**, which was also established during the reorganization of the Russian Corporation of Nanotechnologies.

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