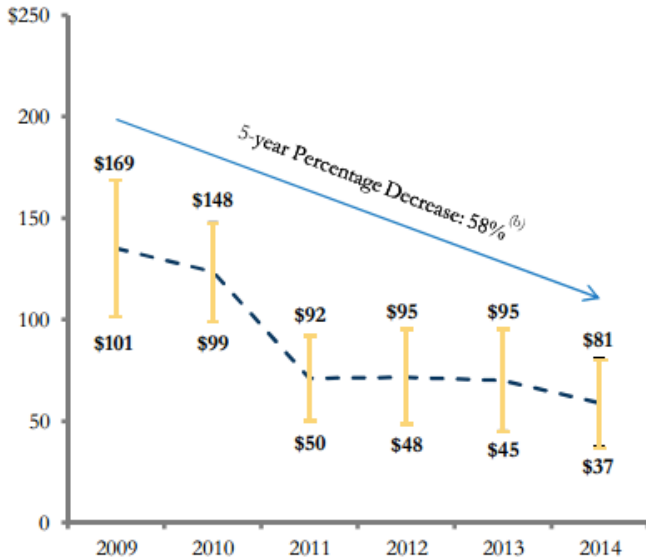


Solar Energy vs. Wind Energy cost evolution

WIND LCOE

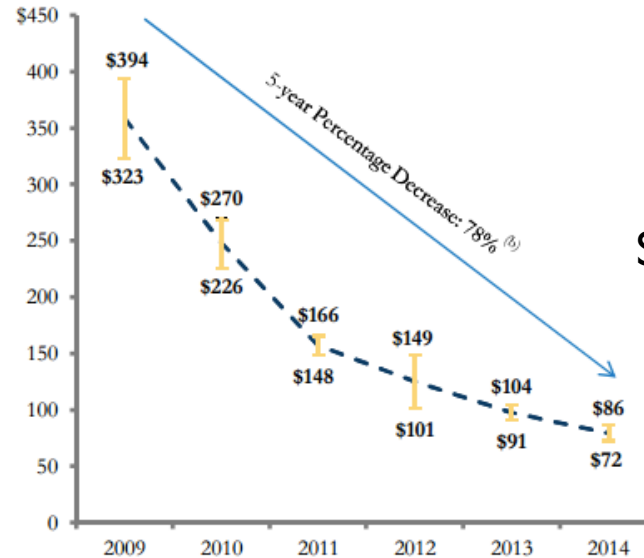
LCOE
\$/MWh



--- LCOE — LCOE Range

SOLAR PV LCOE ^(a)

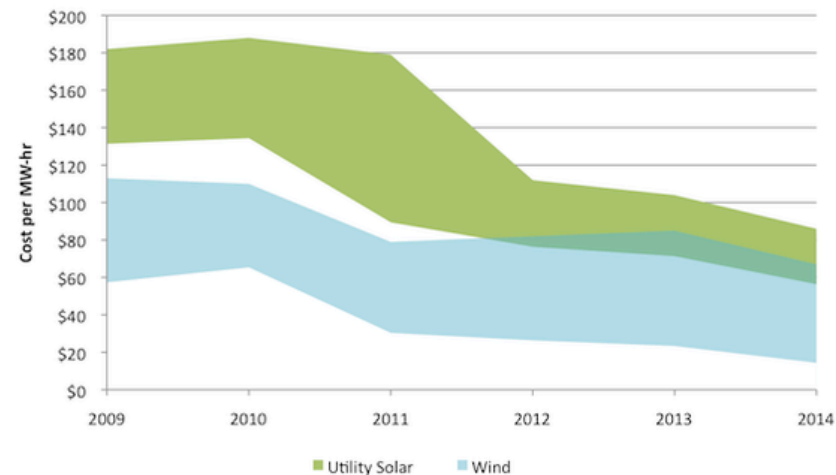
LCOE
\$/MWh



Source: **Lazard**

- *Historically* Wind Energy has been more economic than solar energy
- However the cost of Solar has decreased faster than wind !!

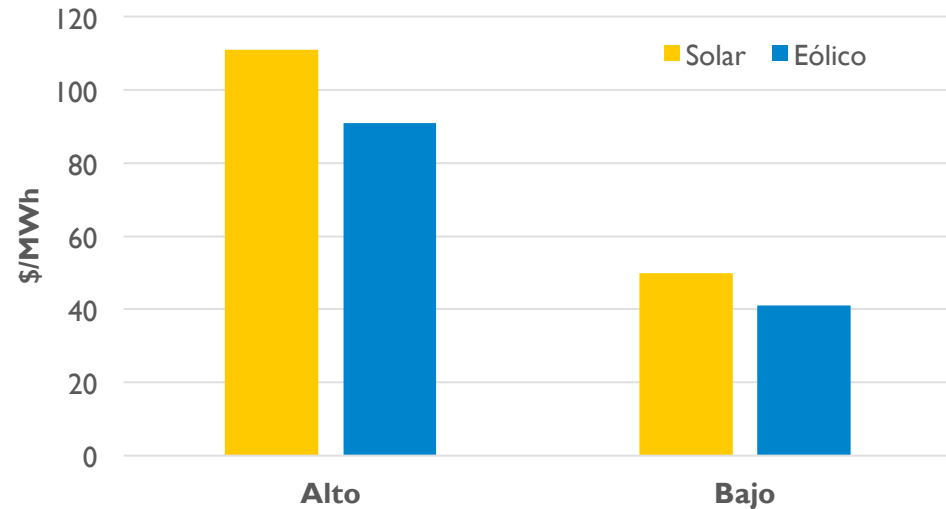
Lazard Levelized Cost of Energy - Renewable Energy



Solar vs. Wind in Alberta – Where are we ??

- Assumptions

- Cost of Capital 6.5 %
- PPA – no escalation – 15 years
- Solar resource of Southern AB
- Wind resource of Pincher Creek
- Using averages as an approximation



- Results

	Solar Low	Solar High	Wind Low	Wind High
Cost (USD)	\$1000 USD	\$1600 USD	\$1300	\$2200
Capacity	32%	23%	55%	40%
LCOE (USD)	\$50 /MWh	\$111 /MWh	\$41 /MWh	\$91 /MWh

- Therefore the Levelized price of Electricity for Wind and Solar are in the same range.

