

EFT Investments

HPP Ulog Project

September 2010

Location

HPP Ulog Project is located on river Neretva in Municipality of Kalinovik in Republika Srpska, Bosnia and Herzegovina.



80 km from Sarajevo

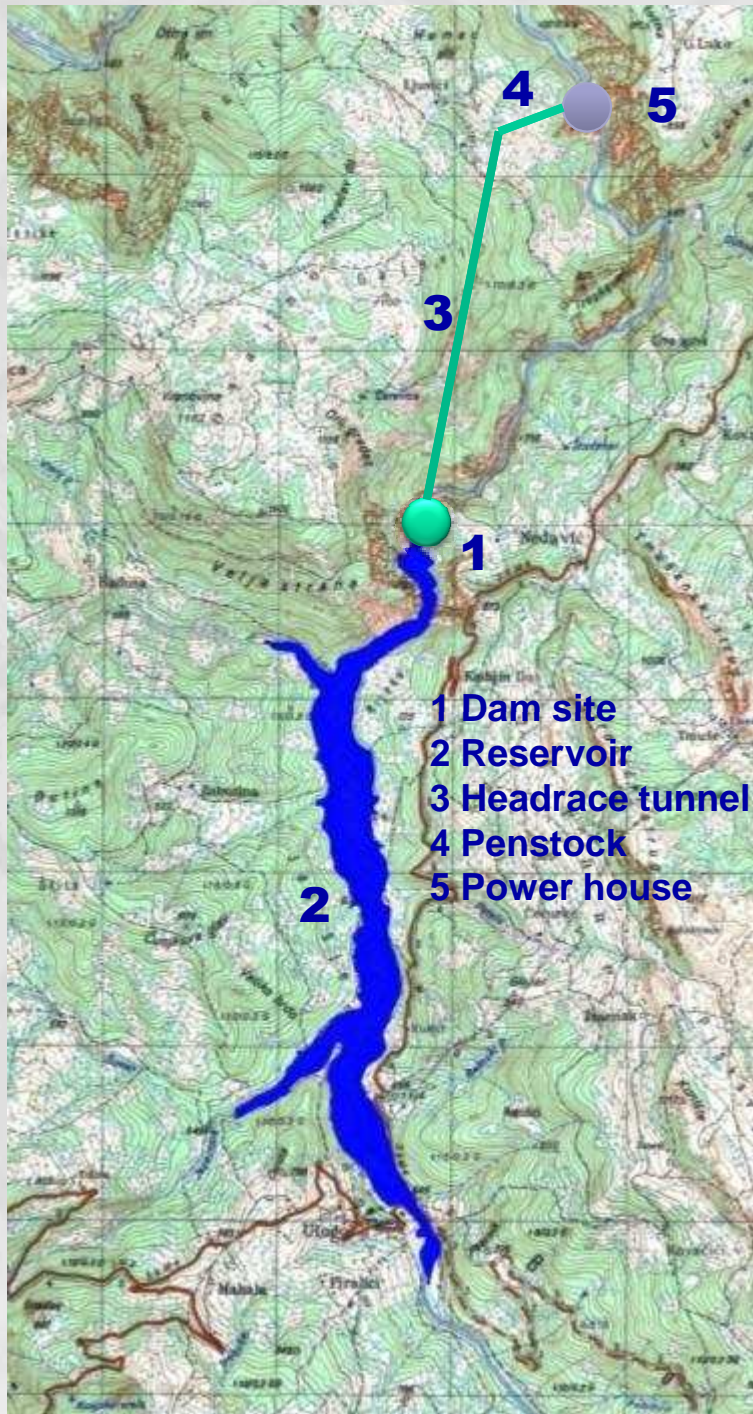
Concession agreement

In November 2009, the Government of Republika Srpska awarded to EFT the concession for construction and operation of HPP Ulog on river Neretva.

The concession period includes a 2 year project development period and a 30 years construction and operation period extendable for additional 15 years.

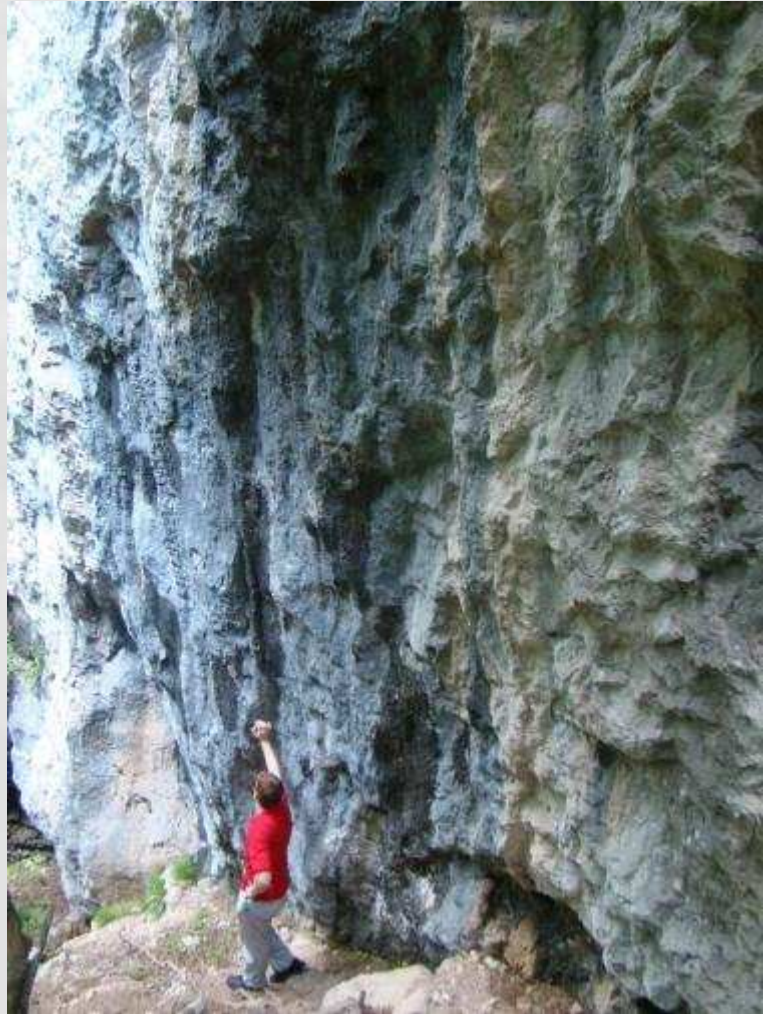
Start of commercial operation planned in 2015.

The main features



Dam height [m]	53
Headrace tunnel - length/ diameter [m]	2 500/3.8
Penstock- length/diameter [m]	163/2x2.1
Installed flow [cub. m/s]	35
Total head [m] Net head [m]	120 113
Installed power capacity [MW]	35 MW
Average annual energy production [MWh]	85 000
Type and number of turbines	2 Francis
Water storage volume [million cub. m]	6.5

Dam site



Development

The following project development activities have been completed:

- Preliminary Feasibility Study with Conceptual Design
- Preliminary EIA Study
- HPP Ulog Zone Regulation Plan adopted by the Municipality of Kalinovik in February 2010
- Report on protection measures of cultural and natural heritage in the HPP Ulog zone
- Connection of HPP Ulog to the 110 kV transmission network of Bosnia and Herzegovina Study
- Feasibility Study with Preliminary Design
- Initial environmental monitoring of water quality, air quality, noise.
- Analysis of the HPP Ulog area in terms of existing environmental conditions and analysis of potential change of environmental conditions due to HPP Ulog project (in accord with EUROPEAID/119165/C/SV/BA)
- Environmental Impact Assessment Study
- Report on Zone Planning Conditions of HPP Ulog
- Land expropriation report
- Main design of access roads
- Construction of access roads started in July 2010

Investigationes works- equipment transportation



Geological research



Access road construction



Investment Cost

Total Investment Cost

- Civil works EUR 31.4 million (54%)
- Electrical equipment and connection to grid EUR 12.9 million (22%)
- Mechanical and hydro-mechanical equipment EUR 8.7 million (15%)
- Other costs EUR 5.5 million (9%)

Investment schedule:

Year	2010	2011	2012	2013	2014	2015
Percentage of total investment	4 %	10 %	10 %	27 %	28 %	21 %
Amount (EUR)	2.4 MM	5.8 MM	5.8 MM	15.8 MM	16.4 MM	12.3 MM

Time schedule

HPP Ulog Project time schedule is divided in following phases:

Phase 1 :Project development – technical and environmental documentation, exploration works, construction of access roads. Expected completion in second half of 2011.

Phase 2: Tender procedure for construction of HPP Ulog – contract finalization planned by the end of 2011/beginning of 2012.

Phase 3: Detailed design, equipment manufacture, civil works, commissioning, performance test, trial run. Completion expected in end of 2014/beginning of 2015.

Phase 4 : Start of commercial operation in 2015.

Financing

It is intended to finance the project on a classis project financing basis, with the expected involvement of multilateral agencies , export credit agencies and commercial banks.

The target debt-equity ratio is 70:30%.

Target date for financial close is early 2012.

Thank you