

## **Abengoa begins construction on two CSP plants awarded by the South Africa Department of Energy**

- Khi Solar One and KaXu Solar One, will be the first concentrating solar power (CSP) plants in South Africa and will use advanced technology specifically developed for the country's needs.
- Both plants will be able to store energy and generate power after sunset.

Seville, November 6, 2012 - Abengoa, the international company that applies innovative technology solutions for sustainable development in the energy and environment sectors, announced today that it has begun construction on the 50 MW solar power tower Khi Solar One and the 100 MW parabolic trough plant KaXu Solar One in South Africa. The concentrating solar power (CSP) plants were two of the 28 renewable energy projects announced late 2011 by the South Africa Department of Energy (DOE). The DOE intends to bring 17,800 MW of renewable energy online by 2030.

Abengoa is partnering with the state-owned Industrial Development Corporation (IDC), South Africa's largest development finance institution, to create South Africa's clean energy future by allowing the country to reduce its dependence on fossil fuel for power generation, specifically coal. Abengoa, who will build, operate and maintain the plants, owns 51 % of the projects, the IDC holds 29 %, and the Black Economic Empowerment program maintains the remaining 20 %.

Both plants signed today long term power purchase agreements with Eskom, South Africa's power utility, and closed project finance agreements with a group of South African and international financial institutions.

Khi Solar One and KaXu Solar One, located in the Northern Cape Province near Upington and Pofadder respectively, will use advanced technology to provide South Africa with clean energy while creating local jobs and industry in the region. In addition to reducing the country's carbon dioxide emissions by about 498,000 tons each year, the construction of Khi Solar One and KaXu will create roughly 1400 local construction jobs on average per annum, peaking near 2000, and about 70 permanent operation jobs. Numerous direct and indirect jobs will also be created to fulfill the needs required by the plant and its construction.

Abengoa and the IDC are stimulating economic development in the area while building South Africa's solar industry. South Africa has one of the best solar resources in the world with great potential to be a leader in concentrating solar power generation.

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Innovative technology solutions for **sustainability**

Abengoa has developed proprietary technology to meet South Africa's needs and make solar an excellent solution. Both Khi Solar One and KaXu Solar One use the advanced dry cooling technology, which reduces water consumption compared to other CSP plants by approximately two thirds. The plants also have storage capacity of about two hours for Khi and three hours for KaXu, which can be used during transient periods and after sunset. CSP's ability to be dispatchable will be a great advantage for South Africa as it will permit the country to bring more intermittent technologies, such as photovoltaics and wind into their renewable energy mix.

Abengoa currently has 743 MW of installed solar capacity around the world and 910 MW under construction, and it is one of the few in the world that builds and operates both parabolic trough and tower CSP plants. Khi Solar One is Abengoa's third commercial solar power tower and its first outside of Spain. Proprietary innovative technology is developed at Abengoa's R&D Center, Solúcar, which is one of the most important solar R&D centers in the world.

## About Abengoa

Abengoa (MCE: ABG) is an international company that applies innovative technology solutions for sustainable development in the energy and environment sectors, generating electricity from the sun, producing biofuels, desalinating sea water and recycling industrial waste. ([www.abengoa.com](http://www.abengoa.com))

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