9-22-2011

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Recommended Citation
Rodríguez, George. 'After Kickoff by Former President Mel Zelaya in 2008, Honduran President Lobo Lays Cornerstone for Wind Farm to Start Generating in 2012.' (2011). https://digitalrepository.unm.edu/la_energy_notien/67
AFTER KICKOFF BY FORMER PRESIDENT MEL ZELAYA IN 2008, HONDURAN PRESIDENT LOBO LAYS CORNERSTONE FOR WIND FARM TO START GENERATING IN 2012

By George Rodríguez

In 2008, only months before his downfall via a coup, Honduran President Manuel "Mel" Zelaya announced a 100-megawatt, US$269 million wind power project—with debt-financing support worth US$220 million jointly provided by the US Export-Import Bank and the regional Banco Centroamericano de Integración Económica (BCIE).

Some 24 km south of Tegucigalpa, the Cerro de Hula wind farm is a project developed by Globeleq Mesoamerica Energy (GME)—a financial-services firm in Central America better known as Mesoamerica Energy, a subsidiary of the UK-based Globeleq—focused on developing, building, and operating renewable-energy projects throughout the region.

GME's first transaction in the region was the acquisition, in 2004, of Plantas Eólicas SRL (Pesrl), a 23 MW wind farm in operation in Costa Rica. Its present projects, generating hundreds of megawatts, now include the Cerro de Hula wind-farm project.

A joint venture, consisting of the Spanish companies Gamesa and Iberdrola, is in charge of building the farm, with Gamesa—owner of 76%—responsible for supplying and installing the 51 Gamesa G 87 wind turbines of 2 MW each, as well as starting up and supervising the turbines, and Iberdrola—owner of the remaining 24%—providing the design and construction of the wind-turbine foundations.

Activities related to building the farm started in September 2010, with the actual construction process—launched in early 2011—expected to last one year. First tests are expected to take place at the end of this month, with wind turbines in place, and the idea is for Cerro de Hula to go operational early next year. The 100 MW to be generated will go to Honduras' Empresa Nacional de Energía Eléctrica (ENEE) for distribution under a 20-year purchase accord.

Authorities claim the farm will be the first utility-scale wind farm in the country and Central America's largest as well as one of the major such installations on a Latin American Scale.

The Honduran territory, with mountains, valleys, and flatlands, favors generation of energy by wind installations such as Cerro de Hula, a project first proposed in 2005. Three years later, Zelaya announced the project and said that the investment was possible because of transparency assured by Honduran institutions.
Accompanying Zelaya in the announcement, US Ambassador to Honduras Hugo Llorens said that "renewable energy is an area in which the United States and Honduras will work together." Llorens also pointed out that oil has become expensive, thus "renewable energy offers a cost option that could be a part of the [energy] solution for Honduras."

Also present, Mesoamerica Energy president Luis Javier Castro expressed satisfaction at the possibility of producing "clean energy at a competitive cost."

Union leader Marvin Ordóñez, secretary-general of the Sindicato de Trabajadores de la Empresa Nacional de Energía Eléctrica (STENEE), said ENEE workers "are happy, because they know wind power is cheaper, clean, there’s no pollutants, and it makes the country’s energy more competitive."

With Cerro de Hula operating, "in only six months, ENEE could save more than US$49 million, compared with thermal energy," and the government "must bet on this energy which is completely clean and causes no problem with pollution," added Ordóñez.

**President Lobo lays cornerstone**

Just over two years after Zelaya’s announcement, and a year into his own administration, President Lobo laid the project’s cornerstone on Jan. 26 of this year. Lobo called on Hondurans to "trust energy generation based on the sun, wind, and water, which will bring progress to the country, as a bet on change in a globalized world. This government believes in projects that cause change, and proof of this is the commitment to build several dams ‘and the Cerro de Hula wind park.’"

The president also praised Mesoamerica Energy "for coming to Honduras to rent the land of inhabitants in the communities of Santa Ana and San Buenaventura, both close to Cerro de Hula, "as a show of commitment in an alliance with the population, in order to push forward the development of this park that will generate clean energy. Projects such as the ‘Cerro de Hula Wind Park’ will be taken as a model to be implemented in other regions of the Nation’s territory."

Present at the event, Llorens emphasized the Lobo administration’s role in the production of renewable energy and said that "it is a commitment by the Honduran government to bet on alternatives to produce clean energy, and President Barack Obama has decided to support such initiatives. Honduras has broken with the decades of conventional energy production based on oil and has taken as a reference the advice given to [Honduran] authorities by US counterparts about betting on change."

Along the lines of Lobo’s announcement to take the Cerro de Hula example to other parts of Honduras, ENEE manager Roberto Martínez said this project "is barely 1% of the wind energy the country’s provinces can potentially generate."

Regarding the communities neighboring the wind farm, Mesoamerica Energy director Jay Gallegos pointed out that "the project has made a substantial investment in the region through...a unique program for [land] leasing, purchase of [building] materials, and local services, as well as providing job opportunities."
The company “has worked with the government and with community members in order to build this project, which will be the biggest in Central America,” added Gallegos.

A week before, Evelyn Núñez, director of Energía Eólica de Honduras (EEH)—owned by Mesoamerica Energy—said this country could have 220 MW in wind-power generation capacity by 2015.

This would be possible as several projects, including Cerro de Hula, become operational, according to Núñez, who said that three other energy companies—France’s X Wind and Honduras’ Grupo Terra and Vientos de la Peña—are planning to start projects in this Central American nation.

In local experts’ assessments, those projects could be in the 20 MW to 30 MW range.

In Núñez’s view, progress made in Honduras in developing renewable energy sources is hindered by the absence of a “clear plan” by the Honduran government, excess red tape, and political instability, all of which conspire against project security.