



**For Immediate Release:**

June 14, 2001

**Contact:** Mr. John Rogers, Vice President

Tel: (978) 251-5290

[soluz@igc.org](mailto:soluz@igc.org)

[www.soluz.net](http://www.soluz.net)

## **SOLUZ HONDURAS REACHES 1000 FEE-FOR-SERVICE CUSTOMERS**

### **Rural Energy Delivery Operation Uses Distributed Micropower**

**Chelmsford, MA, USA** – Soluz, Inc. announced today that its rural energy delivery operation in Honduras had reached 1000 fee-for-service customers with unsubsidized service based on distributed micropower technology.

Soluz Honduras, a subsidiary of the U.S.-based Soluz, supplies distributed photovoltaic (PV) systems to rural customers in northwestern Honduras, chiefly on a fee-for-service basis. The PV systems provide energy for lighting, radio, and television and contribute to many income-generating activities, by extending shop hours and improving work conditions.

Soluz is providing its distributed micropower offerings on an unsubsidized basis, validating the market value of the service to its rural customer. Its operation in Honduras and a similar one in the Dominican Republic comprise perhaps the largest unsubsidized PV fee-for-service customer base in the world.

In addition to expanding the reach of its operations, Soluz Honduras has paid significant attention to collection rates, key to stability and growth. The company has maintained high collection rates, including an average of above 95% over the past three months.

Soluz's latest achievements are particularly notable because it launched the PV fee-for-service offering in Honduras just months before the devastating 1998 Hurricane Mitch. "The growth to the 1000-customer milestone and collection rates are proof that the Soluz business model is robust enough that even in the post-Mitch environment, with the rebuilding of the country with international aid, the demand for Soluz's *unsubsidized* private electric service is strong," said Richard Hansen, President of Soluz and Soluz Honduras.

The customer level and collection rates, exceeding targets set by the company in a million-dollar investment round in late 2000, trigger additional disbursements from three investors: the International Finance Corporation (IFC), Corporacion Financiera Ambiental (CFA) of Costa Rica, and the Solar Investment Fund (SIF) of the Netherlands.

Other investors in Soluz Honduras include E&Co of the U.S., Gaia Kapital of Germany, and Swiss Reinsurance Co. and EPS Finanz of Switzerland.

Under the Soluz fee-for-service option, customers pay set monthly fees to rent any of several PV system packages, which include PV modules, controls, wiring, lighting, installation, and maintenance. Soluz's PV systems can offer targeted amounts of power safely, cleanly, efficiently, and economically. The fee-for-service arrangement allows access to PV technology at rates close to prior energy expenditures for kerosene, dry-cell batteries, and automotive batteries. Soluz Honduras also retails PV systems on cash and credit bases.

The CFA, SIF, and IFC investments will fuel the scale-up of Soluz Honduras to over 2500 fee-for-service customers and profitability, over the next 18 months. Soluz Honduras's expansion over the next few years will firmly prove the business concept and position the company to establish large-scale operations serving 20,000-50,000 customers, of the country's total of over 500,000 unelectrified households.

Soluz, Inc., based in Massachusetts, is a business and technology development company that since 1993 has been developing the commercial potential of distributed micropower technologies as a source of electricity for rural areas of developing countries.

###