

InvestEU Scoreboard¹

Presentation of the financing or investment operation:

Implementing Partner: EIB

Name of the Operation: TITAN SOLAR PV GREEN FRAMEWORK LOAN

Type of approval :

- Individual financing or investment operation or
 Framework Operation

Name of the final recipient: SPECIAL PURPOSE ENTITY(IES)

Country(-ies) of implementation: Spain

Short description of the financing or investment operation:

This operation will support the investment plan of the Promoter in renewable energy (RE) projects in Spain (utility scale ground-mounted solar PV plants) over the next 3 years. The operation is expected to support ca. 2 GWp of new RE capacity for a total investment of ca. EUR 1.3bn, including the ancillary infrastructure for the interconnections to the grid. The current pipeline of schemes to be financed under this operation belongs to a Joint Venture (JV) between the promoter, Galp (75% ownership), and the original developer, ACS Group (25% ownership). It includes 20 utility scale solar PV plants, with sizes ranging from 15 MWp to 450 MWp. However, this operation is not limited to schemes belonging to such JV, and other solar PV plants owned by the Promoter could also be financed if the eligibility criteria are met.

Public Statement

The project increases renewable energy generation capacity in Spain and contributes to national and EU 2030 climate objectives. The financing of this project also supports the Bank's lending priority objectives in energy (renewable energy), climate action, and economic and social cohesion. Electricity is produced from low carbon sources (solar PV), addressing the market failure of negative climate and environmental externalities, through the reduction of carbon emissions and air pollution (compared to fossil-fuel generation). As the schemes are expected to rely (at least partially) on revenues from the market (the wholesale market and unsubsidized commercial Power Purchase Agreements), in a sector characterised by incomplete markets, the project improves market efficiency and competition (limited forward/hedging possibility, lack of scarcity pricing and lack of locational pricing). The Project is expected to yield very good quality and results due to excellent social benefits, fair employment creation and adequate governance system. With the appropriate conditions in place, the project is acceptable for financing in environmental and social terms. All the schemes are expected to be located in cohesion regions.

Supporting this solar PV portfolio at an early stage and with a meaningful amount of financing will be instrumental in accelerating the implementation of the Project and in attracting commercial lenders to complement the participation of the EIB in the non-recourse financing tranche. The combination within a Framework Loan of a Corporate Loan and Project Finance Loan is innovative and provides the Promoter

¹ This Scoreboard of indicators reflects the information presented to the InvestEU Investment Committee (IC) for its decision on the use of the EU guarantee for this operation. Therefore, the document does not take into account possible developments that could have occurred after this decision.

with flexibility and financial value added, which is deemed crucial mainly in the context of the ongoing Covid pandemic. The EIB, as a reference financier with the strictest standards in terms of sustainability and environmental protection, is expected to provide also an important signalling effect. Accordingly, EIB financing with a "Green Loan" label is expected to contribute to attract investors and co-financiers. This also helps Galp in the achievement of its emerging de-carbonisation strategy and clearly emphasises the role of EIB as the EU Climate Bank.

Pillar 3 - Market failure or sub-optimal investment situation addressed by the financing or investment operation (**Very Good**)

Pillar 4 - Financial and technical contribution by the Implementing Partner (**Very Good**)

Pillar 5 - Impact of the financing or investment operation (**Very Good**)

Pillar 7 - Complementary indicators²	
Key project characteristics	
Expected at PCR	
Start of works	01.09.2020
End of works	20.10.2025
Project investment cost	1,302.23 MEUR
EIB eligible investment mobilised	1,088.44 MEUR
External EIB multiplier	1.67
Mandate eligible investment mobilized	1,088.44 MEUR
Mandate multiplier effect	13.06
Mandate leverage effect	3.90
Amount of private financing	652.23 MEUR
Co-financing with national promotional banks	0.00 MEUR
Co-financing with structural funds (ESIF)	0.00 MEUR
Energy efficiencies realised	0.00 MWh/a
Climate Action indicator	100.00% Mitigation Renewable Energy (transversal)
Employment during construction - temporary jobs	1,900 person years
Employment during operation - new permanent jobs	190 FTE
Outputs	
Expected at PCR	
Electricity generation capacity from renewable energy sources	2,010.00 MW
Outcomes	
Expected at PCR	
Electricity produced from renewable energy sources	3,409.00 GWh/yr
Households which could be supplied with the electricity generated by the project	866,400.00
Cost of electricity generated with environmental externalities	37.00 EUR/MWh

² The abbreviation PCR stands for Project Completion Report. EIB internal methodologies are used in order to calculate the figures presented in this document. The Promoter's estimates might differ.