

InvestEU Scoreboard

Presentation of the financing or investment operation:

Implementing Partner: EIB

Name of the Operation: SOLARIA CASTILIAN PV PLANTS

Type of approval :

- Individual financing or investment operation or
 Framework Operation

Name of the final recipient: CORONA BOREALIS FOTOVOLTAICA SLU

Country(-ies) of implementation: Spain

Short description of the financing or investment operation:

The operation is a multi-scheme investment project and consists of the construction and operation of 7 solar photovoltaic (PV) plants with a total capacity of c. 261.05 MWp. The project scope includes the ancillary infrastructures for the interconnections to the grid.

The plants will be located in the Spanish regions of Castilla y Leon, Castilla-La Mancha and Extremadura, all of them Cohesion regions.

The promoter decided to develop the operation on a full merchant basis, without applying for any form of public subsidy or support scheme. In order to allow for the bankability of the operation, it entered into a long-term power purchase agreement (PPA) in the form of a financial hedge, to secure certain revenues, with a private counterpart and at terms acceptable to the Bank.

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 contributes to 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. As it relies on revenues from the market (the wholesale market and unsubsidized commercial PPAs), in a sector characterised by incomplete markets, the project improves market efficiency and competition. It is expected to yield very good quality and results due to excellent social benefits, fair employment creation and a good ESG rating. The project is supported by the adequate governance and capabilities of the promoter.

Supporting this solar PV project with a meaningful amount of non-recourse project financing will be instrumental in facilitating and accelerating the financial close of a sizable renewable energy investment. The EIB will be acting as a cornerstone lender and thus crowding-in other lenders. The improved economic conditions of the EIB financing combined with structuring advice will further enhance the project's viability, which is deemed crucial in this period of very high economic uncertainty in the context of the ongoing Covid pandemic.

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

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 indicators**Key project characteristics****Expected at PCR**

Start of works	12.11.2020
End of works	01.05.2022
Project investment cost	157.42 MEUR
EIB eligible investment mobilised	152.33 MEUR
External EIB multiplier	1.33
Mandate eligible investment mobilized	152.33 MEUR
Mandate multiplier effect	16.69
Mandate leverage effect	5.91
Amount of private financing	44.71 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	300 person years
Employment during operation - new permanent jobs	30 FTE
Gender Tag	No Significant contribution to Gender Equality

Outputs**Expected at PCR**

Electricity generation capacity from renewable energy sources	261.05 MW
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Outcomes**Expected at PCR**

Electricity produced from renewable energy sources	455.00 GWh/yr
Households which could be supplied with the energy generated by the project	121,300.00
Cost of electricity generated with environmental externalities	35.00 EUR/MWh