

Conclusions

Helios Green Loan

INVEU-ICR-0011-2022 – Sustainable Infrastructure

Short description of the financing or investment operation and its objectives

Name of the promoter or financial intermediary	OPDENERGY HOLDING SA
Countr(ies) of implementation	Spain
Implementing partner	EIB

Short description of the financing or investment operation and its objectives:

The project consists of the development, design, construction and operation of 15 solar photovoltaic (PV) plants located across three regions of Spain (Aragon, Castilla La Mancha and Castilla y Leon), with a total installed capacity of approximately 685 MWp.

The operation contributes to the EU-wide target of 32% of energy from renewable sources in gross final energy consumption for 2030 as set out in the latest EU RE Directive (Directive (EU) 2018/2001). It further contributes to the national renewable energy targets as laid out in Spain's Integrated National Energy and Climate Plan (NECP). The latter foresees for 2030 a national target of 42% renewable energy in the final energy consumption, which translates into a share of 74% in the electricity sector (relative to gross generation). The project is partly located in EIB Cohesion Priority Regions, as recently redefined in the context of the 2021-2027 MFF. The project is therefore partially eligible under Article 309 (a) projects for developing less-developed regions and fully under (c) common interest.

Global Assessment and rationale for approval

The Investment Committee of the InvestEU Fund approved the use of the InvestEU guarantee on 1 April 2022 for the operation.

The InvestEU support is seen as pivotal both for its financial and non-financial contribution, in particular for securing a significant volume of financing at an adequate cost, also thanks to its crowd-in effect. The loan provides diversification of the borrower's financial sources. The EIB will be acting as cornerstone lender and thus crowding-in other lender(s) into the financing structure, which is expected to improve the probability of a timely financial close.

The Project produces electricity from low carbon sources, addressing the market failure of negative climate and environmental externalities, through the reduction of carbon emissions and other air pollution (compared to fossil fuel generation). As the Project is expected to rely on revenues from the market (the wholesale market and unsubsidized commercial Power Purchase Agreements), in a sector characterised by incomplete markets (limited forward/hedging, lack of scarcity pricing and lack of locational pricing), the project improves market efficiency and

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competition. The Project has an excellent economic return when considering the economic value of the clean electricity generated. Some of the project components (41%) are located in EIB Cohesion Priority regions. The participation of the EIB is seen as pivotal both for its financial and non-financial contribution, in particular for securing a significant volume of financing at an adequate cost.

OPDEnergy attaches great value added to the signaling effect provided by the EIB, as a reference financier with the strictest standards in terms of sustainability and environmental protection. Accordingly, OPDE deems EIB financing with a "Green Loan" label as a stamp of quality on its investments and environment-related procedures, which contributes to attract co-financiers.