InvestEU Scoreboard

Presentation of the financing or investment operation:

Implementing Partner: EIB

Name of the Operation: SOLARIA TRILLO TORO PV GREEN LOAN

Type of approval :

☒ Individual financing or investment operation or

☐ Framework Operation

Name of the final recipient: ADHARA SOLAR, S.L.U.

Country(-ies) of implementation: Spain

Short description of the financing or investment operation:

The Project consists of the construction and operation of 15 solar photovoltaic (PV) plants being 11 of the PV plants located in the municipalities of Budia, Durón, Cifuentes, Peralveche; Trillo, San Andres del Rey, Peralveche, Pareja, Mantiel, Chillarón del Rey (Guadalajara, Castilla La Mancha), 2 in the municipality of Toro (Zamora, Castilla y León), one in the municipalities of Valladolid and La Mudarra (Valladolid, Castilla y León) and one in the municipalities of Puertollano, Brazatortas and Almodovar del Campo (Ciudad Real, Castilla La Mancha). The plants will feature photovoltaic modules with mono or polycrystalline technology and single axis tracking mounting structures.

The Project will be financed on a non-recourse project finance basis.

In order to allow for the bankability of the operation, the Project will benefit from two long term Power Purchase Agreements entered into with EDP Energias de Portugal, S.A. and Shell Energy Europe B.V., partially mitigating the risk of electricity price volatility.

Additionally, the Project will also benefit from a fixed-price Contract for Differences with the electrical system under the new Spanish Remuneration Regime for Renewable Energy in respect of approximately 210 MWp.

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 is in line with the Bank's lending priority objectives on Renewable Energy as well as on Climate Action, Environmental Sustainability and Social and Economic Cohesion. The project produces electricity from low carbon sources (solar PV plants), 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 competition. The project components are located in EIB Cohesion Priority regions.

The Bank will provide a meaningful part of the total financing needs for this Project (58.33% of the debt, a percentage higher than the standard 50% in Project Finance transactions), enhancing the overall financial viability through improved economic conditions compared to commercial lenders.

The partial exposures of Project revenues to merchant risk implies the structuring of an innovative and riskier financing, which deters many potential co-financiers from participating. As a result, the EIB will be acting as cornerstone lender and thus crowding-in other lender(s) into the financing structure, which,

alongside the structuring advice provided, is expected to improve the probability of a timely financial close.

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 (**Good)**

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

Pillar 7 - Complementary indicators[1]

	Expected at PCR
Start of works	01.01.2022
End of works	30.04.2023
Project investment cost	497.69 MEUR
EIB eligible investment mobilised	472.75 MEUR
External EIB multiplier	1.97
Mandate eligible investment mobilized	472.75 MEUR
Mandate multiplier effect	11.73
Mandate leverage effect	3.89
Amount of private financing	257.69 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	800 person years
Employment during operation - new permanent jobs	70 FTE
Gender Tag	No Significant contribution to Gender Equality

Outputs

	Expected at PCR
Electricity generation capacity from renewable energy sources	736.00 MW

Outcomes

	Expected at PCR
Electricity produced from renewable energy sources	1,351.00 GWh/yr
Households which could be supplied with the electricity generated by the project	343,400.00
Cost of electricity generated with environmental externalities	34.00 EUR/MWh

[1] The abbreviation PCR stands for Project Completion Report.