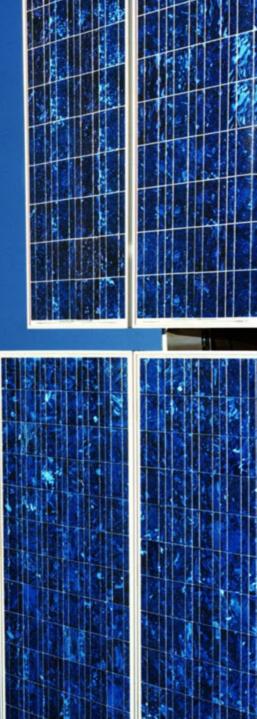


Financing Renewables

Bermuda Energy Summit 2016



Renewables Projects that Attract Investment

- Sufficient & predictable fuel
- Tier 1 technology
- Minimal curtailment risk (grid or environmental)
- Electricity offtake Fixed price,
 - indexed, long term, USD settled, take or pay, credit worthy
- Offtake of environmental attributes

Revenue <u>Certainty</u>



Difference available to equity & debt

Equity ➤ IPPs or infrastructure funds often willing to forgo upside to secure downside

▶ Debt

➤ Non-recourse project financing

Cost Certainty

- Tier 1 technology
- Quality EPC contract
- Quality O&M contract
- Obligations under permits / land leases
- Clear interconnection process and cost

To the extent possible, isolate resource risk and remove all others.





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