



Financing Renewables

Bermuda Energy Summit 2016

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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 Certainty**



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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