

# Sweihan Solar PV IPP



United Arab Emirates

## Key features of the financing:

- Financing of a 1,177 MWp Solar PV plant;
- Landmark transaction with the Project being, at completion, **the world's largest solar IPP with a world low record LCOE of US\$ 2.94c per kWh**;
- Natixis acted in a lead role of Technical Bank, highly visible given the challenging technical issues raised by a plant of this scale;
- Senior financing raised on a Soft Mini Perm basis (refinancing expected within 5y from closing);
- Natixis also acted as Lead Arranger and Hedge Provider.



## SPONSORS

Abu Dhabi Water and Electricity Authority ("ADWEA")	60%
Marubeni Corporation ("Marubeni")	20%
JinkoSolar Holding Co., Ltd. ("JinkoSolar")	20%

## PROJECT COMPANY

Sweihan PV Power Company P.J.S.C. (the "Project Company")

## PROJECT DESCRIPTION

The Sweihan Solar PV IPP Project (the "Project") consists in a solar PV plant located in the Emirate of Abu Dhabi with a capacity of 1,177 MWp (largest in the world) at completion procured by ADWEA, the Abu Dhabi government-owned utility. It will be developed on a Build, Own and Operate basis by ADWEA, Marubeni and JinkoSolar. The Project notably aims at reducing consumption of marginal cost imported gas and supporting the government's policy in relation to renewable energy targets. Marubeni and JinkoSolar were awarded the Project after an international competitive tender that resulted in the lowest levelized cost of electricity ("LCOE") ever achieved globally, with an LCOE of US\$ 2.94c per kWh.

Construction of the Project is scheduled to last for 2 years with completion expected for April 2019. The EPC Contractor for the Project is a joint-venture comprising Sterling & Wilson and its parent company, Shapoorji Pallonji. JinkoSolar will supply the monocrystalline PV modules. The design of the plant is based on a fixed-tilt ground-mounted supporting structure.

The plant's entire electricity generation is contracted for 25 years post-completion to the Abu Dhabi Water & Electricity Company ("ADWEC", fully owned subsidiary of ADWEA) – the single buyer of power and water capacity and output in the Emirate of Abu Dhabi – under the terms of the Power Purchase Agreement signed between the Project Company and ADWEC.

## FINANCING

Total project costs of US\$ 870m will be financed through a US\$ 648m Term Facility structured as a Soft Mini Perm, with remaining costs funded by equity and pre-completion revenues. An additional US\$ 18m Standby Facility was also raised to fund any potential cost overruns. The contractual tenor runs for 26 years door-to-door (i.e. 24 years post-completion), with a cash sweep mechanism kicking-in in year 6.

The original bank pool comprises **Natixis**, MUFG, MUTB, the Norinchukin Bank, SMBC, CA-CIB, BNPP and First Abu Dhabi Bank.

## ROLE OF NATIXIS

Natixis acted as Lead Arranger, Technical Bank and Hedge Provider.