

## Luning Energy



### Main features of the financing:

- Strong sponsorship from Invenergy, a premier client for GIP-Americas
- Short-term construction bridge loan for a solar facility where 50% of construction is already complete
- Construction Loan to be fully repaid at COD through sale of Project to Liberty Utilities (CalPeco Electric) LLC which is owned by Algonquin Power & Utilities Corp.
- Construction loan sized at 90% advance rate of purchase price by Liberty with payments guaranteed by parent company with investment grade rating
- Natixis acted as Left Lead CLA, sole LC issuer, and administrative agent.



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### SPONSORS

Invenergy Solar Development LLC

### BORROWER

Luning Energy Holdings LLC

### TRANSACTION DESCRIPTION

The Borrower will construct the 65 MWdc / 50 MWac Luning Photovoltaic Solar Energy Project in Mineral County, Nevada (Luning or the "Project"). The Project will utilize Jinko modules mounted on a single-axis tracker and SMA Sunny Central inverters. Construction will be performed by Phoenix Solar, Inc. under a fixed price EPC agreement. The Project is anticipated to reach Commercial Operations by 1Q 2017.

Upon completion, the Project will be sold to Liberty Utilities (CalPeco Electric) LLC ("Liberty") through an executed Purchase and Sale Agreement with the Sponsor. Liberty is owned by Liberty Utilities, a regulated water, natural gas and electric transmission and distribution utility and currently serving over 485,000 customers in 10 states. The Project will interconnect directly to the NV Energy's transmission system and have its energy delivered by NV Energy into Liberty Utilities' California service territory. Liberty is wholly owned by Algonquin Power & Utilities Corp. ("Algonquin", S&P rated BBB), a renewable energy and regulated utility company. The payments by Liberty are guaranteed by Liberty's investment grade rated parent.

The Project is sponsored by Invenergy Solar Development, LLC which is a wholly owned subsidiary of Invenergy LLC ("Invenergy"), an independent power producer based in the U.S. with over 8,600 MW of solar, gas and wind projects in construction or operation. We have now closed 19 Project Finance transactions with Invenergy (12 wind transactions, 6 thermal deals, one solar).

### FINANCING

The total \$100.5mm Senior Secured Credit Facility consists of a \$96.3mm Construction Loan and a \$4.2mm Letter of Credit Facility. Natixis and Nord both committed 50% of the total facility with Natixis as the sole LC Issuing Bank and the Administrative Agent.

The Project is being constructed by Invenergy under a build-transfer arrangement with Liberty Utilities who will purchase the Project upon completion and utilize it for its rate base. Therefore, there is no long-term Power Purchase Agreement associated with the Project and the senior secured financing consists of a Construction Loan and LC Facility which will mature upon completion of the Project and funding by Liberty. The Construction Loan is sized at 90% of the Purchase Price by Liberty (and also represents 90% of the total Project Costs).

### ROLE OF NATIXIS

Natixis acted as Lead Left Joint Lead Arranger ("JLA"), Sole Issuing Bank and the Administrative Agent. Nord LB served as the other JLA for the transaction and the Credit Facilities were split 50/50 between Natixis and Nord LB with the LC being provided solely by Natixis.

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