

C-11 Conference – bankability analysis

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CPV bankability analysis

Typical contractual structure

Several completely different industries

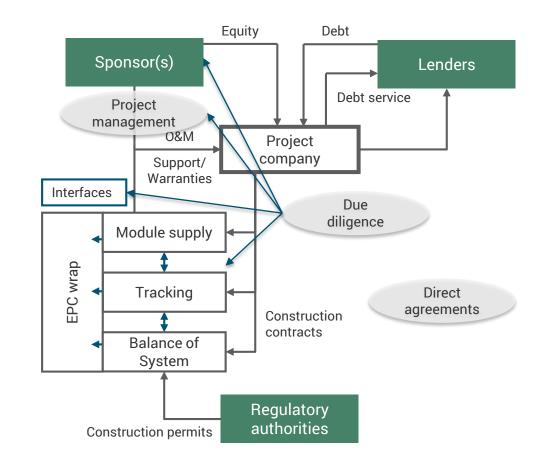
- Modules
- Tracking
- Foundation / earthwork / electrical work

Need for an EPC wrap

Long term performance is not sufficiently tested

- Extensive due diligence
- Strong long term guaranties from suppliers
- Protective financing structures
- Prudent business case assumptions
- Strong LT commitment form the sponsors

Nothing that can't be solved



CPV is a new technology which requires adequate risk mitigation



CPV bankability analysis

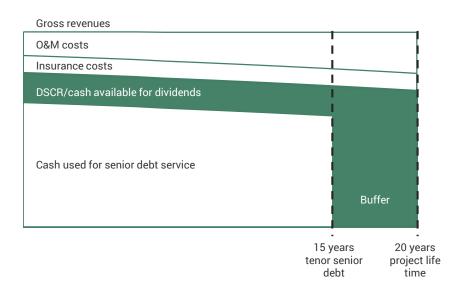
Risk analysis in each project phase

Development phase	Construction phase	Operational phase
No project!	Delay and cost overruns	Lost revenue
No permits No tariff / PPA No contracts Not enough money	Scope gaps Contractor delays Accidents	Lower availability Drop in performance Higher O&M cost Less irradiation
Mitigation tools		
Project management Detailed planning Committed sponsors	EPC wrap Solid contracts (LDs) Contingency budget Insurance	Solid LT contract (LDs) Serial defect clause Performance cash sweep Close monitoring Insurance



CPV bankability analysis

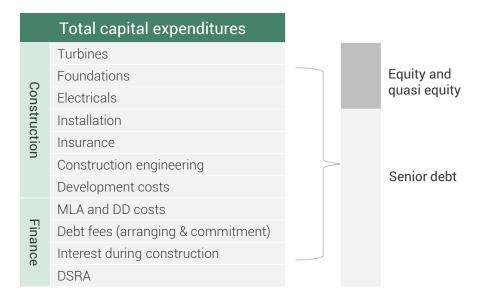
Revenue side constraint



DSCR constraint: 1.30 under a P90 scenario

- No or very limited price risk on revenue side
- Conservative performance assumption
- Prudent O&M cost assumptions
- Full insurance package included

Capital expenditure constraint



Debt : Equity < 70:30

- No tolerance for junior debt mechanisms
- General precedent for equity to be paid upfront
- Long term is in-principle available but with protection mechanism (performance cash sweep)







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