

Banks mandated on 30MW solar facility in Spain

Verity Ratcliffe
27/11/2009

Novatec Biosol has appointed a group of banks to arrange a non-recourse project finance loan of up to €90 million for the construction of PE2, a 30MW solar power plant in Spain.

Estimated construction costs are around €120 million. The following banks have been mandated to jointly arrange an export credit loan of up to €90 million with credit insurance to be provided by Euler Hermes:

- Bayerische Landesbank
- Caja Madrid
- Commerzbank
- Rabobank

The export credit loan will finance the export and installation of Novatec's 300,000m² solar field from Germany, as well as key items of capital equipment being sourced from Germany and the EU in delivering the power block.

The following are advising on the transaction:

- Lahmeyer International - technical adviser to the banks
- Marsh - insurance adviser to the banks
- Clifford Chance - legal adviser to the banks
- Cuatrecasas - legal adviser to the sponsor
- Herbert Smith - legal adviser to the sponsor
- Willis - insurance adviser to the sponsor
- ANZ Investment Bank - ECA adviser to the sponsor

Financing is scheduled to close early next year.

Pre-registration of the plant was announced on 11 November by Spanish Minister of Industry, Trade and Tourism, Miguel Sebastián Gascón, enabling the plant to receive the Spanish feed-in tariff for a 25-year period.

PE2, to be built in the region of Murcia in Spain, will be majority owned by the Swiss power utility, Elektra Baselland. The plant will be based on technology developed by Novatec Biosol which is majority-owned by Transfield Holdings.

PE2 will be immediately adjacent to PE1, Novatec's operating 1.4MW demonstration facility. PE1 was connected to the Spanish electricity grid in March this year.