



Investec partners with Pele Green Energy in a unique refinancing of the Touwsrivier CPV1 power plant

Investec's role

Investec Power and Infrastructure Finance, as mandated lead arranger, partnered with Pele Green Energy (Pele) in the refinancing of its 44MWp concentrated photovoltaic (CPV) solar project in Touwsrivier in the Western Cape.

In addition to the debt, Investec's Treasury Sales and Structuring Interest Rates team provided interest rate hedges for the senior term loan, thus providing protection in this rising interest rate environment.



CPV Power Plant No.1 (Pty) Ltd

Sector: Power - Renewable Energy

Investec role: Mandated lead arranger

Asset financed: CPV Power Plant No.1 (Pty) Ltd

Type of funding: Refinancing of JSE-listed project bond

Amount: R1.2bn



About CPV Power Plant No 1:

CPV Power Plant No.1 (Pty) Ltd is a 44MWp CPV solar plant in Touwsrivier in the Western Cape. It was built as part of Round 1 of the South African Renewable Energy Independent Power Producers Procurement Programme (REIPPPP) and has been in operation for seven and a half years. Its main shareholders are Pele Green Energy (Pty) Ltd (majority shareholder), the Public Investment Corporation (PIC) and the Touwsrivier Solar Community Trust (TSCT).

It is one of the largest solar CPV plants in the world and the only one in Africa.

The plant consists of 1,500 dual-axis solar tracking systems with a total of 18,000 modules over 190 hectares. It powers roughly 26,000 homes and has achieved an average reduction of 69 tonnes of CO₂ a year when compared to coal-fired power plants in South Africa.

About Pele Energy Group

Pele Energy Group is a sustainability business and independent power producer that develops, owns, procures, builds and operates power projects in South Africa and other sub-Saharan Africa countries. Pele Energy Group has an established track record in the REIPPPP, operating in key power generating sectors, with over 1.3GW in energy projects at various stages of development.

HIGHLIGHTS AND KEY FEATURES:

- > The transaction is unique in that it involved the refinancing of a JSE-listed project bond, the only REIPPPP project to have been funded in this way. The refinancing will help reduce the tariff of the electricity sold to Eskom under the Power Purchase Agreement, ultimately benefitting the South African consumer.
- > Investec provided grant funding to partly fund the development of a commercial hydroponic farm jointly owned by Pele and the Touwsrivier Community Trust (also a shareholder in the CPV1 Project) located at the project site.
- > The Touwsrivier plant has helped with job creation in the area, including 733 jobs during its construction phase and 44 permanent staff retained to date.
- > Pele group's socio-economic development team has assisted the Touwsrivier community by contributing to 55 bursaries and 59 internships, developing 63 start-up enterprises, as well as the mentoring of 38 SMEs and the installation of three solar PV systems at schools in the community.
- > The project has also made an investment into the development of a community resource centre called the 4-Rooms of Freedom.

