

Financial Close reached for Scottish Wind Farms

Velocita Energy Developments secures non-recourse financing for two onshore Wind Farms in Dumfries & Galloway and North Ayrshire.

The European renewable energy developer and operator, Velocita Energy Developments (“Velocita”) announced today the £76m portfolio project financing of the Airies wind farm in Dumfries and Galloway, and the Sorbie wind farm in North Ayrshire. The financing arrangement with the Bank of Tokyo-Mitsubishi UFJ (“BTMU”) is Velocita’s second project in Scotland following the merger with 2020 Renewables in July 2012. The deal follows on from the successful €200m financing of the 120 MW Vaite-Bussiere, Rougemont-Baume 1 and Rougemont-Baume 2 wind farms closed in France in December 2015.

The 7.05 MW Sorbie project and the larger 39.9 MW Airies project are both due to be accredited under the outgoing Renewables Obligation (RO) regime. Construction began in January 2016 for Airies wind farm and will start in late February 2016 for Sorbie wind farm, both are expected to start operations in February 2017.

Airies & Sorbie have been developed by 2020 Renewables and will be built and operated by Velocita. I&H Brown has been contracted to undertake civil and electrical infrastructure works. General Electric will supply the 14 GE2.85-103 2.85 MW wind turbines with 80m hub height for the Airies Wind Farm as well as providing operations and maintenance services under a long term contract, meanwhile Enercon will supply the 3 E82-E4 2.35 MW turbines with 58.9m hub height and provide long term operations and maintenance services for the Sorbie wind farm. Electricity will be sold to ENGIE (formerly GDF SUEZ) under a long term Power Purchase Agreement.

Scotland is already providing over a third of the UK’s renewable electricity at a time where there is an increasingly tight gap between electricity supply and demand. Once operational, the project will make a valuable contribution to Scotland’s ambitious renewable energy targets, providing clean, green electricity.

Alan Baker – Chief Operating Officer of Velocita said “These are only two of four projects that we plan to secure project financing on during 2016 in advance of the proposed Renewables Obligation closure deadline”

Velocita has been advised by Brodies LLP, Wright Johnston & Mackenzie, Green Giraffe, and JC RA. Meanwhile, DNV GL, DLA Piper, Marsh, and BDO acted for BTMU.

Note:

The Velocita Group is a leading independent European developer, owner and operator of wind energy projects.

Velocita Energy Developments was established in early 2011 in partnership with the private-equity fund Riverstone Holdings LLC to finance the development, construction, ownership and operation of utility-scale wind energy projects in several countries in Europe. In July 2012 Velocita merged its UK business with 2020 Renewables, a Scottish developer and constructor of wind farms, specialising in the consenting, construction and operation of renewables projects. With its extensive sector experience, the 2020 team brings to the Velocita Group the capability to deliver every aspect of a UK project. Velocita currently operates in the UK and France, with a total portfolio under active development of over 1,400 MW. To date Velocita has financed 5 wind farms totaling 230 MW capacity.