

Esparity Solar obtains surety bond facility

Published 18 Sept 2018 | **Alexandra Dockreay** | IJGlobal

Newly established Iberia-focused solar developer Esparity has obtained a surety bond facility from Abarca Seguros, in order to be compliant with bonding requirements in the Spanish grid connection process.

The facility is due to meet funding needs of Esparity Solar for its current project pipeline.

Abarca Seguros is a Portugal-based surety bonds specialist, positioned as a solvent and effective insurer in the sector. It has a B+ credit rating from the US-based A.M. BEST rating agency.

Details of the surety bond facility are not disclosed.

IJGlobal understands that the facility is permanent capital. It finances 100% of the obligations required to request a change connection point (€10,000 per MW).

Esparity Solar is building out its team as it targets a 1GW, €1 billion (\$1.17 billion) project portfolio in utility-scale solar PV, predominately in Spain but also potentially in Portugal. The company has offices in London and Valencia.

James Sibony, who has been a board member at Australian solar developer ESCO Pacific since 2015, launched Esparity Solar in Q1 2018. IJGlobal has reported on various hires including a chairperson earlier this month – Janin Campos.

Initially working with a co-development model, Esparity Solar enters projects at early stage to negotiate contracts and raise third party debt and equity to achieve financial close.

The company is sourcing projects from local developers – with a project sweet spot of 50MWp to 100MWp of capacity – though in the potential pipeline Esparity has projects with as much as 250MW capacity and as little as 25MW.

Projects can be up to 100% merchant, and could feature PPAs with corporates, utilities or energy traders. Projects will have investment grade counterparties and be bankable to project finance standards.

