

Masdar nets \$615m for world's largest solar power plant

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State-backed green energy firm Masdar secured \$615m of bank financing for the world's largest concentrated solar power plant

Green energy firm Masdar got \$615m of bank financing for the world's largest concentrated solar power (CSP) plant and \$153m equity from its Spanish and French partners, banking sources said.

Eight foreign banks and two local banks underwrote the 22-year deal that was signed last week, bankers involved in the transaction said on Monday.

France's Total, Spain's Abengoa and Abu Dhabi-based Masdar plan to build a \$600m plant, named Shams 1, which will have a 100 megawatt capacity and would qualify for carbon credits under the United Nation's Clean Development Mechanism (CDM).

Masdar has a 60 percent stake in its flagship project, while the European partners hold 20 percent each.

"There was high interest from several banks with big tickets due to the project's attractiveness," said one banker, adding that the project is structured as a typical independent power project (IPP) and with a power purchase agreement with Abu Dhabi Water & Electricity (ADWEC) in place.

Masdar said an announcement is due later on Monday.

Oil-rich Abu Dhabi, capital of the UAE aims to obtain 7 percent of its energy from renewable sources by 2020.

National Bank of Abu Dhabi underwrote \$68m and Union National Bank \$41m of the financing, bankers said.

"The financing was oversubscribed and pricing was competitive," said another banker.

Japan's Bank of Tokyo-Mitsubishi and Sumitomo, France's Natixis and Societe Generale and Germany's KfW and West LB have each underwritten \$68m.

Other banks in the deal are BNP Paribas and Mizuho BNP Paribas acted as financial advisor.

Masdar delayed a planned \$2.2bn hydrogen power project and scrapped a solar module manufacturing facility in Abu Dhabi.