/Carey

July 2024

GRENERGY OBTAINS FINANCING FOR USD345 MILLION

Grenergy gets loan for LatAm's largest solar energy storage plant

Maya Kendall Shah

22 July 2024

Spain's Grenergy Renovables has enlisted Clifford Chance LLP in Madrid and Carey in Santiago to obtain a green loan worth USS$370 million for a hybrid renewable project, which is set to become one of the world's largest solar energy storage projects and the largest in Latin America.

The syndicate of lenders relied on Garrigues (Chile) in the deal, which closed on 8 July.

Latin Lawyer understands that US firm Milbank also advised the banks but could not confirm this before publishing.

Of the US$370 million, Grenergy will use US$345 million for construction costs at its Oasis de Atacama solar and battery energy storage system in Chile's Atacama Desert. A further US$7.5 million is earmarked to finance power purchase agreement (PPA) contracts, while the remaining US$18.3 million will be used to boost its financial reserves.

The financing will fund the first two phases of the project – which has five stages in total. The initial phase, set to be completed by the end of 2024, involves installing batteries at the solar plant. The second is due to finish in 2025, adding some 220 megawatts peak of solar power and 1.24 gigawatt hours of energy storage capacity to the project.

All phases are set to be complete by 2025, after which the project will help supply energy to 145,000 homes each year, reducing the emissions of the equivalent to 146,000 tonnes of carbon dioxide.

Grenergy is thought to be first-ever company to obtain financing of this size for a hybrid solar and battery project. Once operational,

This news alert is provided by Carey y Cía. Ltda. for educational and informational purposes only and is not intended and should not be construed as legal advice.

Carey y Cía. Ltda.
Isidora Goyenechea 2800, 43rd Floor.
Las Condes, Santiago, Chile.
www.carey.cl

Oasis de Atacama is set to be the largest solar-powered battery energy storage plant in Latin America.

Founded in 2007 and headquartered in Madrid, Grenergy aims to produce clean and sustainable energy with a solar energy portfolio of some 900 solar megawatts. In addition to its projects in Chile, Grenergy has a presence in Colombia, Mexico and Peru. In March this year, the renewables company divested four of its Peruvian wind projects to French power company Engie for US$60 million. This came a few months after the company sold one of its Peruvian solar projects to Malaysian energy developer Yinson.

Counsel to Grenergy Renovables

Clifford Chance LLP

Partner José Guardo, counsel Eduardo Sánchez and associates Alejandro Cubilo and Elena Euba Hernádez in Madrid

Carey

Partner Felipe Moro and associates José Luis Enberg, Felipe Reyes and Tomás Águila in Santiago

Counsel to BNP Paribas, Sumimoto Mitsui Banking Corporation, Natixis, Société Generale, the Bank of Nova Scotia and Scotiabank Chile

Garrigues (Chile)

Partner Antonio Morales, of counsel Diego Perales and associates Sebastián Nieme, Carla Martini, Vicente Milic, Natalie Jana, Camilo Quintana and Makarena Faúndez in Santiago