Renewable Energy Performance Platform (REPP)

Making energy access through mini-grids affordable

16 April 2020
Camco is specialist fund manager focused entirely on renewable energy, development and energy efficiency with a focus on emerging markets. Camco is regulated by the FCA (Financial Conduct Authority) in the UK.

Camco manages the Renewable Energy Performance Platform and has provided financing solutions and advice to over 180 projects with combined capex of around US$4 billion.

30 years’ experience with business in Africa, China, SE Asia, the US and the Caribbean.

A diverse team with over 200 years’ combined experience in renewable energy development, finance and policy.

About Camco
https://camco.energy
Renewable Energy Performance Platform (REPP)

£150m fund supporting the development of distributed energy in sub-Saharan Africa

Formed in 2015

Extensive interest and exposure in off-grid, with leading role in minigrids

Providing structured finance for development, developers and construction

- Equity – Senior Debt
- Derisking instruments
- Focus on developing a sustainable market
- Working with and bringing in other sources of funding

https://repp.energy
Annual report
What is REPP trying to do in minigrids?

Help to stimulate the growth of a robust, commercially sustainable sector with affordable cost-reflective tariffs

- Support the development of strong developers with balance sheets and ability to attract commercial finance
  - Scale economies reduce cost of service
  - Balance sheets, scale of operation, track record and data history attracts commercial lenders

- Develop scalable models for asset-level finance
  - Allows more scalable (off balance sheet) growth for developers
  - Matches finance with local utility style risk/return profile
  - Develops the asset class, leading to greater capital availability

We are not trying to reduce tariffs below levels that reflect cost and a competitive return on capital.
Minigrid and C&I developer and EPC currently operating in Kenya, Tanzania, Sierra Leone, Zambia and Nigeria

- 2016: $345k development capital loan
- 2019: $2.5m series B equity

Followed through into CBEA off-balance sheet funding structure

- 2,190t/year
- 1MW
- 62,500 people
Powerhive

Minigrid and technology company developing in Kenya

2018: $3m off balance sheet senior secured debt into minigrid financing vehicle

- Convertible into equity
- Results-based drawdowns
- 10 year amortising
- Low debt:equity ratio

2,190t/year

1MW

90,000 people
CrossBoundary Energy Access

Project finance facility for minigrids

2019: $5m off balance sheet senior secured debt into minigrid financing vehicle

- Milestone based drawdowns
- 12 year amortising
- DSCR-based covenants

1,643t/year

1MW

100,000 people
Key investee criteria

- Strong foundation, plan and management
- Some proven execution capability/track record
- Ability to become commercially sustainable and grow well
  - At least 1MW potential rollout/plan
- Ability to adopt and successfully implement REPP policies
Policy and regulatory environment

• Clear, enforceable policy environment
  • Permitting and tax
  • Grid encroachment
  • Tariffs
  • Preference for tariffs to be cost reflective – if not, some grant-based intervention is necessary
    • REPP doesn’t provide grants but will work with grant providers
• Covid-19: As much support as possible (off grid an essential service)
Covid-19

We are expecting a significant impact on the sector including

- Delayed/lost revenues
- Inability to operate
- Inability to grow
- Difficulties in raising capital
- Temporary financial distress

REPP will help the sector

- Working capital loans
- Credit guarantees
- Repayment and interest moratoriums
- Information on how to deal with health issues
- Helping to ensure that other funders continue to invest

For companies and projects that could be expected to be financially sustainable in the absence of covid-19 impact

There may be some conditions eg no disconnections/consumer repayment moratoriums

We are working with the funding community more broadly
For more information, please contact:

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