M&A Advisory

Project Finance

Strategic Advisory

RESULTS ANALYSIS
CRE 4 GROUND TENDER – 5TH SESSION

Large capacity photovoltaic plants
(500 kWp – 30 MWp)

March 11th, 2019

FINERGREEN
financer les énergies nouvelles

CONTEXT

MINISTÈRE DE LA TRANSITION ÉCOLOGIQUE ET SOLIDAIRE

This tender for large capacity solar plants was announced in 2016. It initially aimed to support 3 GWp of capacity over 6 sessions ; this target was increased to 4 GWp in December 2017. Nicknamed "CRE 4", this tender focuses on ground-mounted plants and shadehouses with capacities between 500 kWp and 30 MWp.

Today, we analyse **the results of the fifth session,** made public on March, 2019 by the *Ministère de la Transition Ecologique et Solidaire*. The overall capacity of the winning projects is 855 MWp (up from 750 MWp for the previous session).

SCOPE OF THE TENDER

- ✓ Capacity **500 kWp – 30 MWp**
- ✓ Type Ground-mounted plants and parking lot shadehouses
- ✓ Rating criteria:
  - ✓ **1st & 2nd categories -** Price (70) + Carbon Impact (21) + Environmental Fit (9)
  - ✓ **3rd category -** Price (70) + Carbon Impact (30)

PROJECT CATEGORIES

- ✓ The **first category** is for ground-mounted plants with a capacity between 5 MWp and 30 MWp
- ✓ The **second category** is for ground-mounted plants with a capacity between 500 kWp and 5 MWp
- ✓ The **third category** is for parking lot shadehouses with a capacity between 500 kWp and 10 MWp.

KEY METRICS – CRE 4 GROUND TENDER – 5TH SESSION

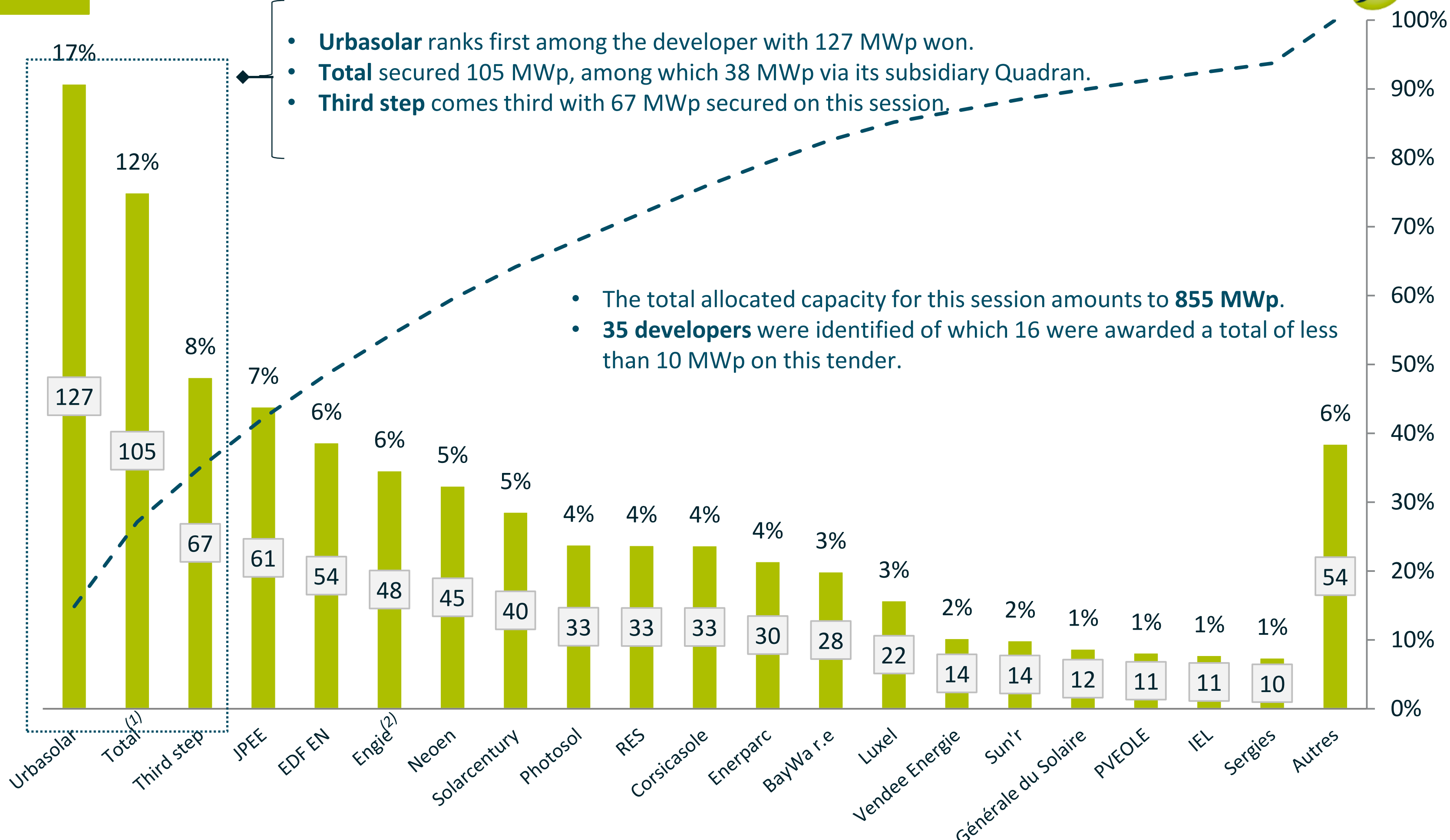
	1st CATEGORY	2nd CATEGORY	3rd CATEGORY
✓ Allocated capacity	557 MWp	233 MWp	65 MWp
✓ Total number of projects	36 projects	61 projects	21 projects
✓ Average tariff offered	€ 58,8/MWp	€ 63,8/MWp	€ 87,5/MWp
✓ Minimum tariff set by the requirement specifications	€ 43,0/MWp	€ 47,0/MWp	€ 61,0/MWp
✓ Application deadline	**December 3rd 2018**		

AWARDED DEVELOPERS – 5TH SESSION OVERALL

CAPACITY TO IMPLEMENT BY DEVELOPER

✔ Results disclosed on **March 5th, 2019**

SOURCE: FINERGREEN'S ANALYSIS



- **Urbasolar** ranks first among the developer with 127 MWp won.
- **Total** secured 105 MWp, among which 38 MWp via its subsidiary Quadran.
- **Third step** comes third with 67 MWp secured on this session.

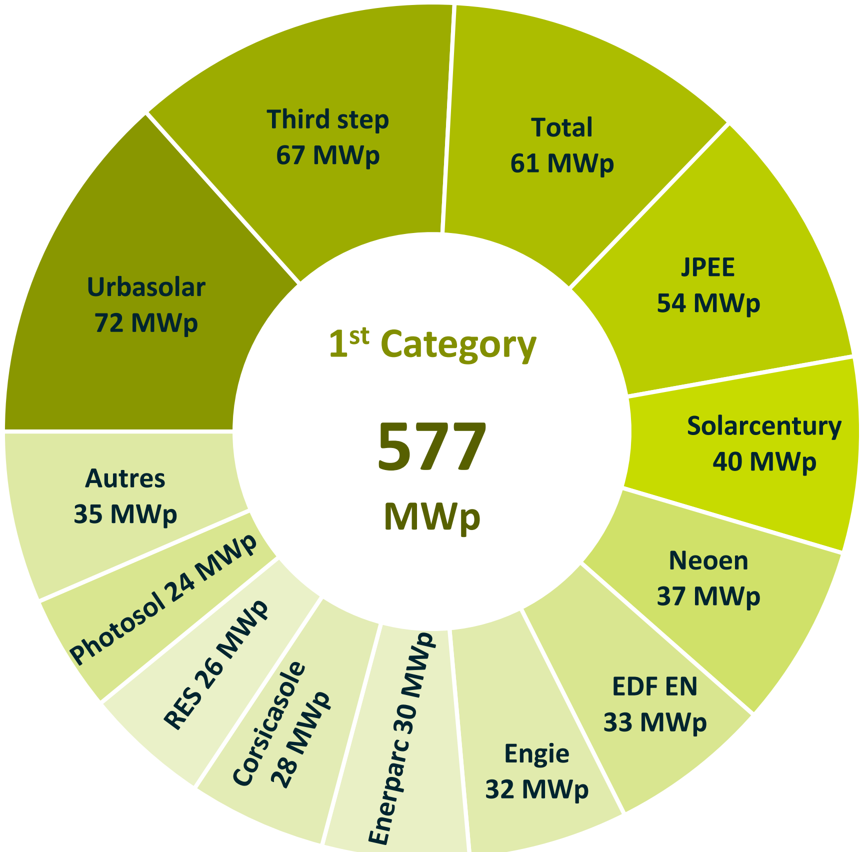
- The total allocated capacity for this session amounts to **855 MWp**.
- **35 developers** were identified of which 16 were awarded a total of less than 10 MWp on this tender.

This graph aims to display the total capacity allocated by developer, even though some assets may be developed for third-parties.

(1) includes CNR, owned at 49% by Engie, and Langa Solar (2) includes Quadran, one of Total's subsidiaries

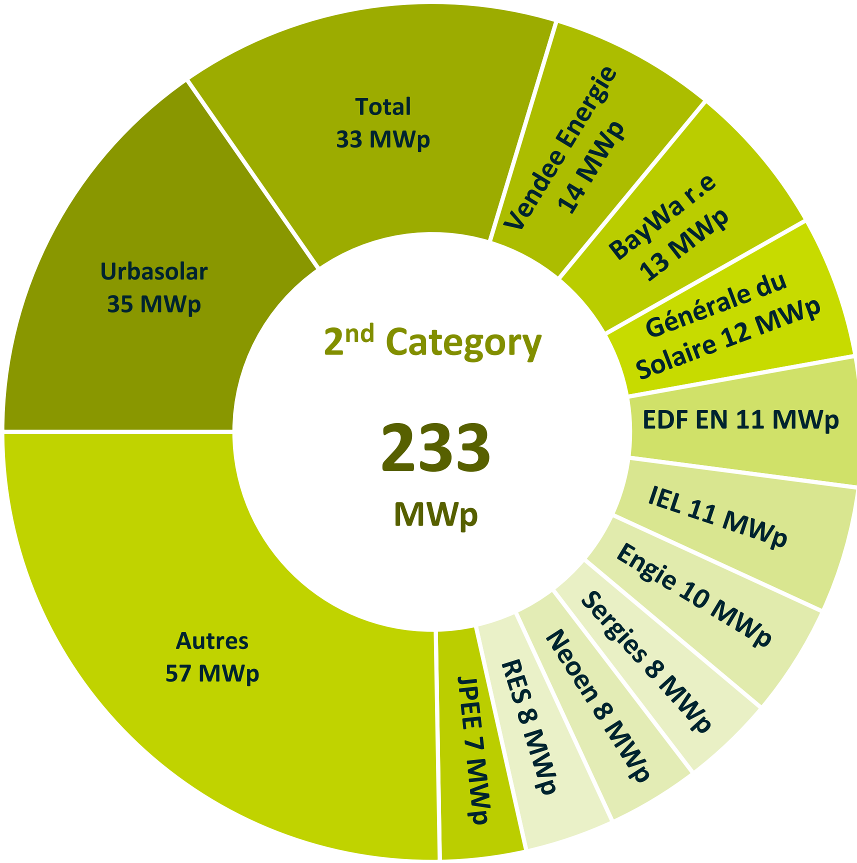
AWARDED DEVELOPERS – 1ST CATEGORY

1ST CATEGORY – GROUND-MOUNTED PLANTS WITH A CAPACITY BETWEEN 5 MWP & 30 MWP



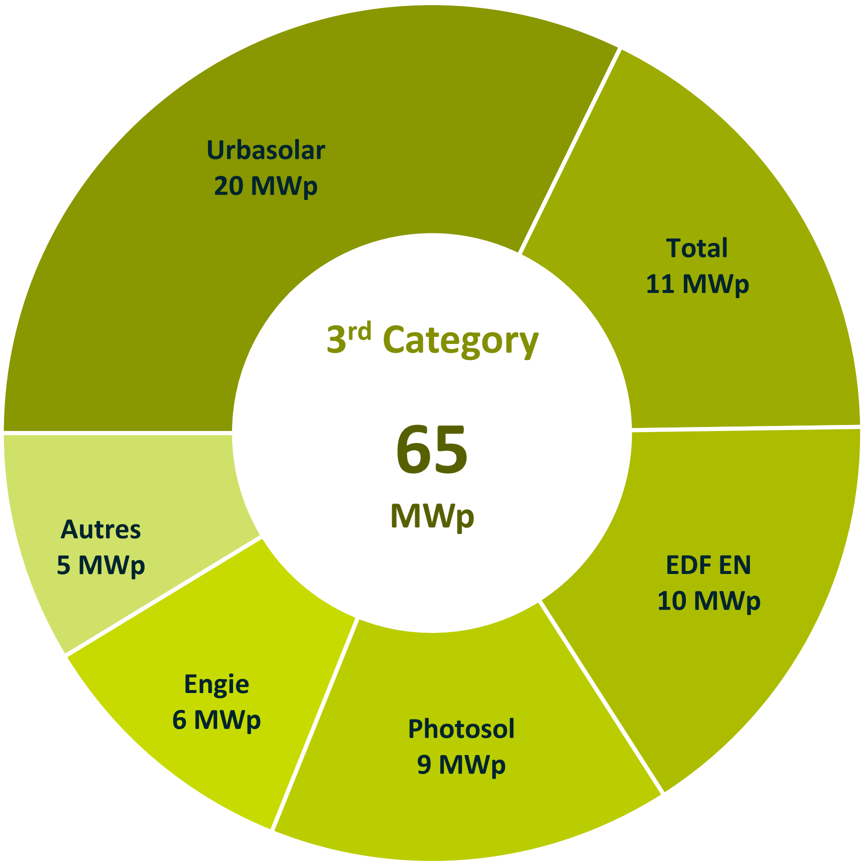
AWARDED DEVELOPERS – 2ND CATEGORY

2ND CATEGORY – GROUND-MOUNTED PLANTS WITH A CAPACITY BETWEEN 500 KWP & 5 MWP

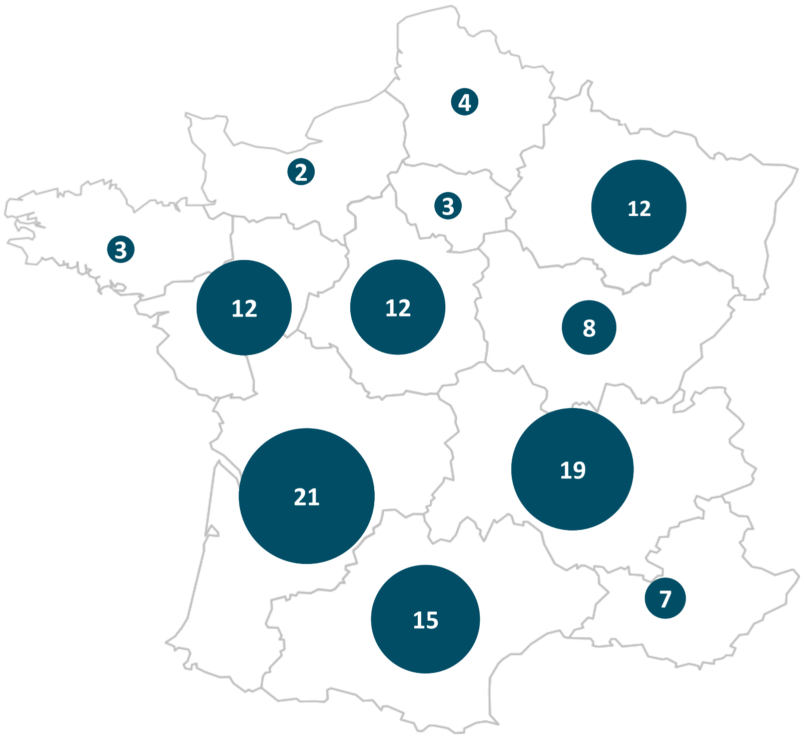


AWARDED DEVELOPERS – 3RD CATEGORY

3RD CATEGORY – SHADEHOUSE PLANTS WITH A CAPACITY BETWEEN 500 KWP & 10 MWP



GEOGRAPHIC DISTRIBUTION OF THE PROJECTS



#

Number of winning projects in the fifth session of the CRE 4 ground tender

As in previous sessions, the **Occitanie, Nouvelle Aquitaine and Auvergne Rhone Alpes** regions stand out in this fifth session. Close to 50% of the winning projects are located in these south-western regions.

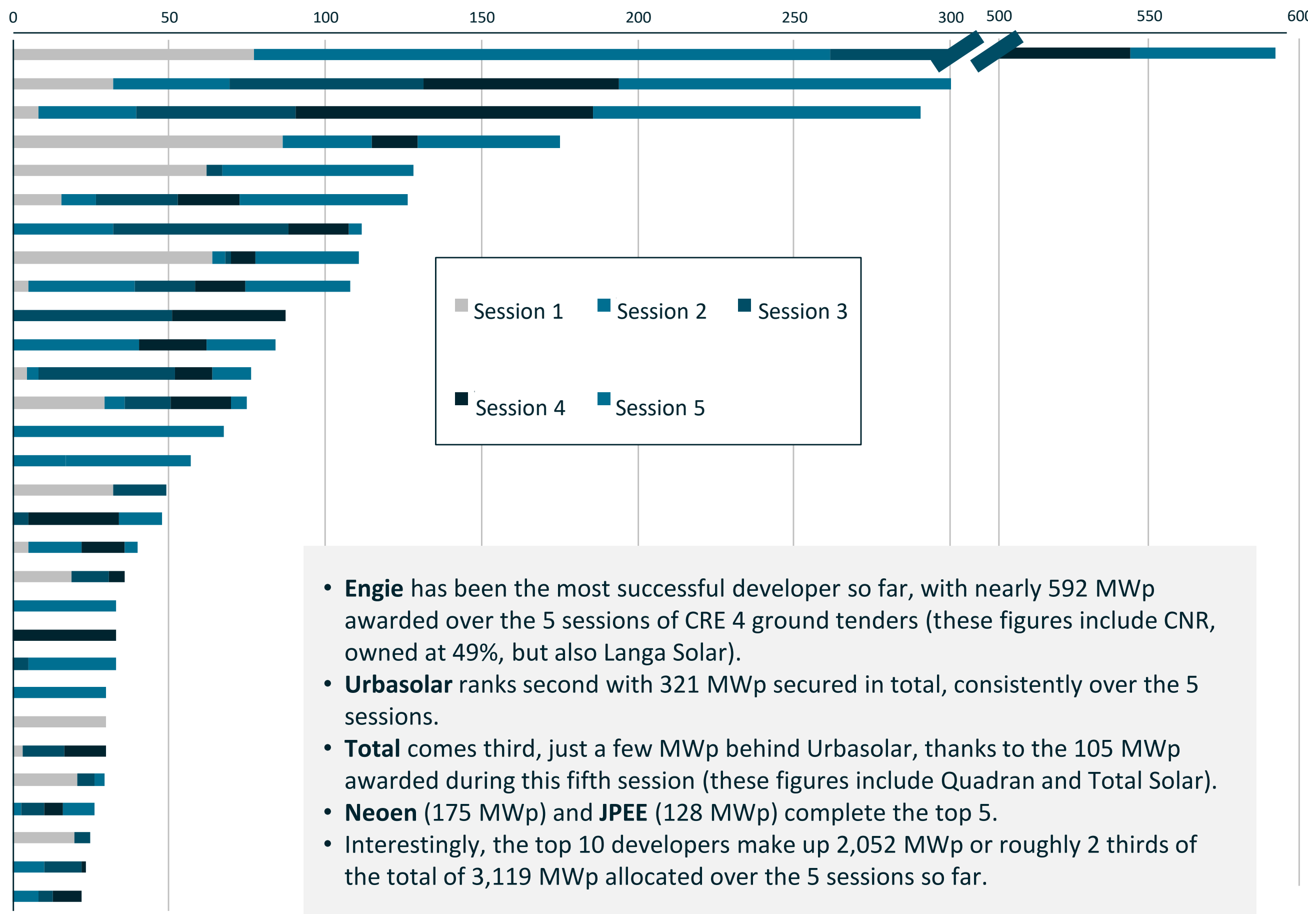
It is to be noted that northern regions fare the worst. Three northern regions nevertheless stand in this tender: 142 MW of projects are in the Grand Est region, 57 MW of projects are in the Centre-Val de Loire region and 49 MW are in the Pays de la Loire region.

It should also be noted that the PACA region only has 7 projects which is low in comparison to awarded projects of the neighbouring regions and to how it usually fares.

CRE 4 GROUND TENDER – GLOBAL RANKING

CUMULATED AWARDED CAPACITY RANKING OVER THE 5 SESSIONS OF CRE 4 GROUND TENDER

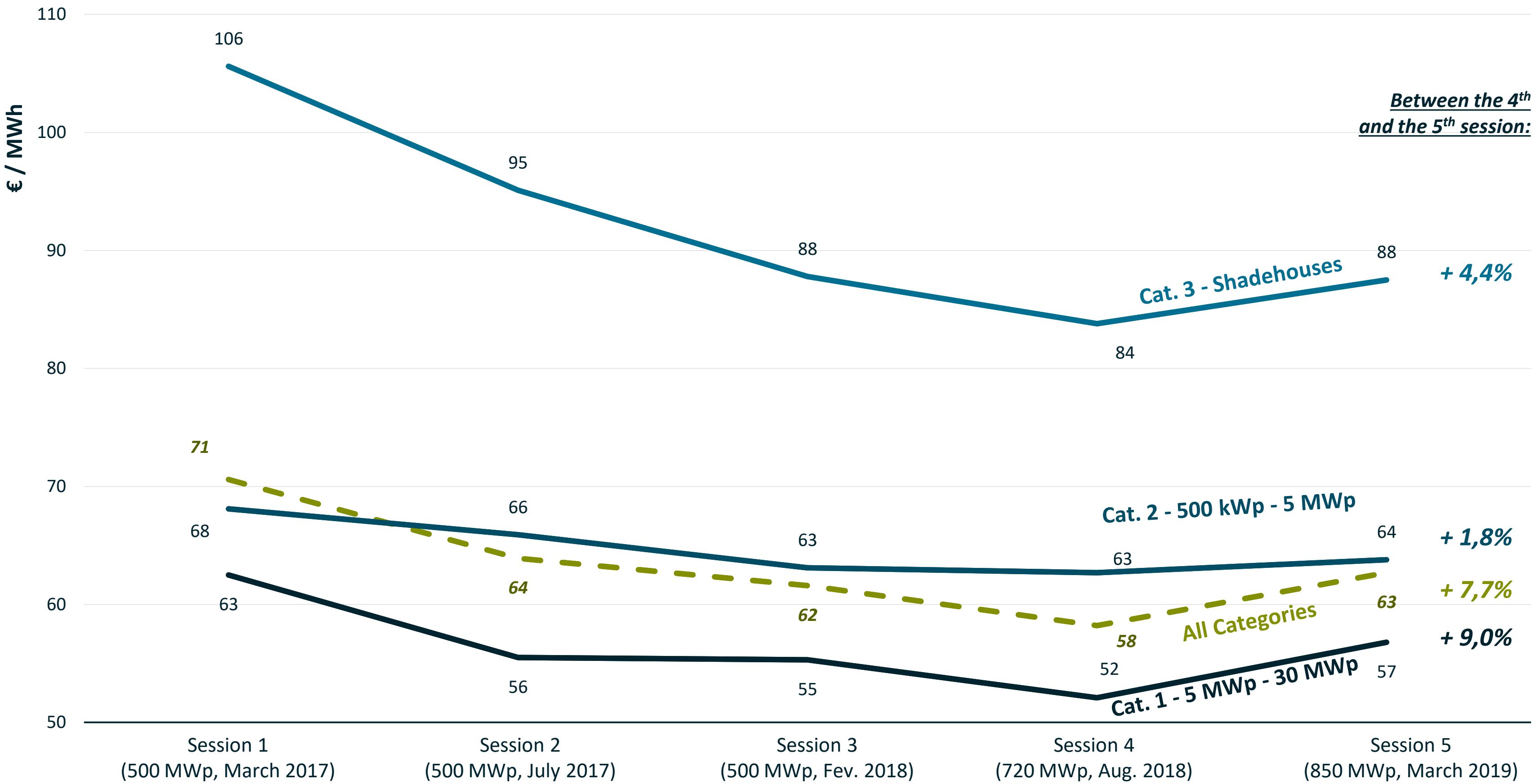
		TOTAL (MWp)
1	Engie	592
2	Urbasolar	321
3	Total	291
4	Neoen	175
5	JPEE	128
6	EDF EN	127
7	Valorem	112
8	RES	111
9	Photosol	108
10	Dhamma Energy	88
11	Luxel	84
12	Générale du Solaire	76
13	Valeco	75
14	Third step	67
15	Solarcentury	57
16	Akuo	49
17	Sun'r	48
18	Cap Vert Energie	40
19	Eolfi	36
20	Corsicasole	33
21	Longwing	33
22	BayWa r.e	33
23	Enerparc	30
24	VSB Energies Nouvelles	30
25	Arkolia	30
26	Obton	29
27	Sergies	26
28	Belectric	25
29	Reden Solar	24
30	Voltalia	22



- **Engie** has been the most successful developer so far, with nearly 592 MWp awarded over the 5 sessions of CRE 4 ground tenders (these figures include CNR, owned at 49%, but also Langa Solar).
- **Urbasolar** ranks second with 321 MWp secured in total, consistently over the 5 sessions.
- **Total** comes third, just a few MWp behind Urbasolar, thanks to the 105 MWp awarded during this fifth session (these figures include Quadran and Total Solar).
- **Neoen** (175 MWp) and **JPEE** (128 MWp) complete the top 5.
- Interestingly, the top 10 developers make up 2,052 MWp or roughly 2 thirds of the total of 3,119 MWp allocated over the 5 sessions so far.

CRE 4 GROUND TENDER – TARIFF EVOLUTION

TARIFF EVOLUTION OVER THE 5 SESSIONS OF THE CRE 5 GROUND TENDER



- After a consistent decrease during the first four sessions, we observe a tariff increase on the fifth session.
- Across all categories between the fourth and the fifth session, the global tariff came from 58,2€ /MWh to 62,7€ /MWh, 7,7% of increase.
- The largest increase took place on the category 1 (+9%).
- The category 2 has the smallest increase (+1,8%). Furthermore, this category had the smallest decrease of tariff between the session 1 to 4 (-7,7 vs 17,6% all categories).

CONTACTS

FINERGREEN France

32, rue de Paradis

75010 Paris, France

Damien RICORDEAU

CEO

Mobile: +33 (0)6 35 50 62 84

dri@finergreen.com

Arthur OMONT

Associate

Mobile: +33 (0)7 81 34 61 40

aom@finergreen.com

Clémence LE SIRE

Analyst

Mobile: +33 (0)6 79 12 97 36

cls@finergreen.com

www.finergreen.com