M&A Advisory

Project Finance

Strategic Advisory

RESULTS ANALYSIS
CRE 4 GROUND TENDER – 6TH SESSION

Large capacity photovoltaic plants
(500 kWp – 30 MWp)

August 6th, 2019

FINERGREEN
financer les énergies nouvelles

CONTEXT

MINISTÈRE DE LA TRANSITION ÉCOLOGIQUE ET SOLIDAIRE

Liberté • Égalité • Fraternité
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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 sixth session,** published on August, 2019 by the *Ministère de la Transition Ecologique et Solidaire*.

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 – 6TH SESSION

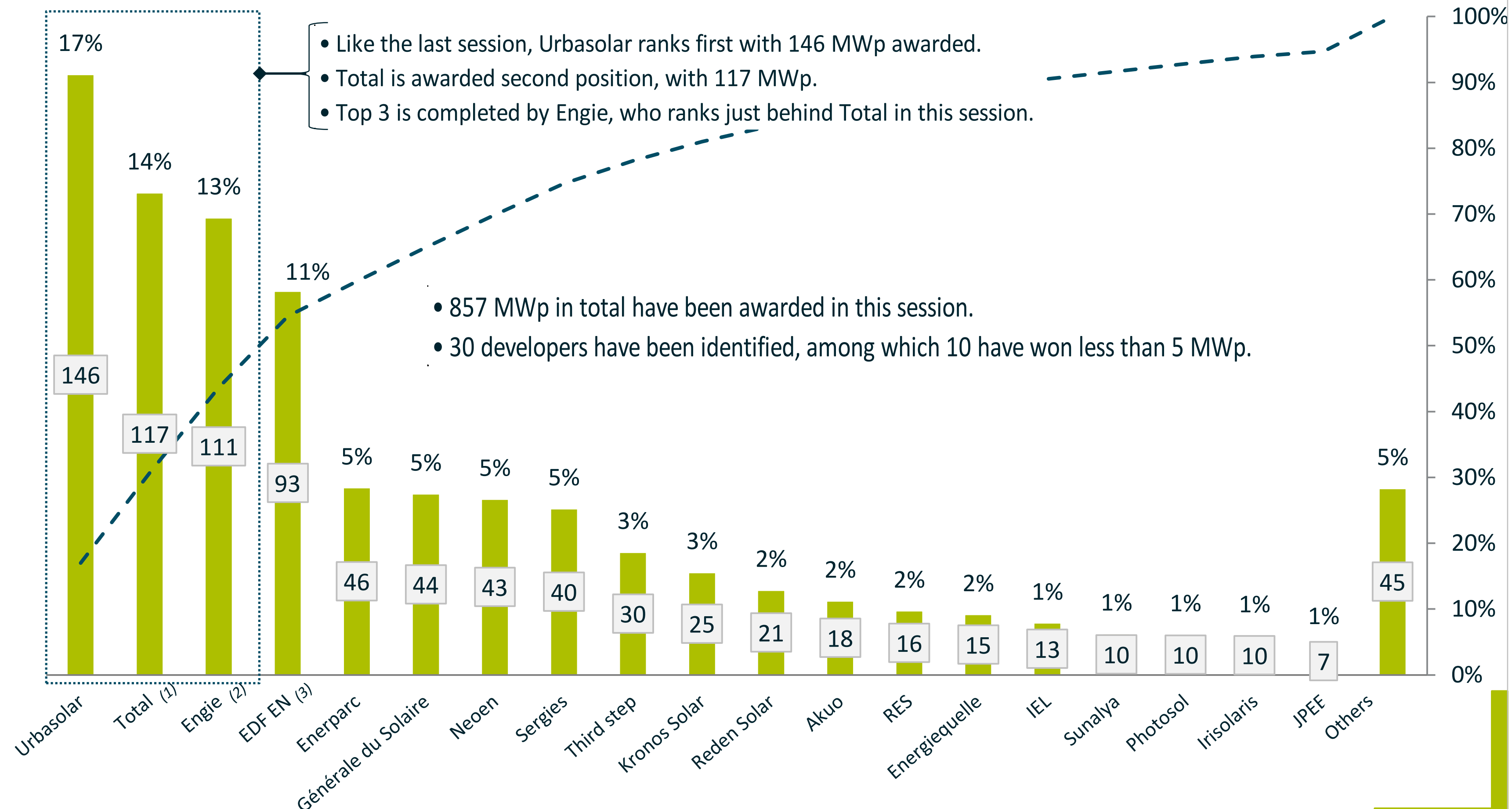
	1st CATEGORY	2nd CATEGORY	3rd CATEGORY
✓ Allocated capacity	555 MWp	232 MWp	71 MWp
✓ Total number of projects	34 projects	59 projects	14 projects
✓ Average tariff offered	€ 59,5/MWh	€ 67,5/MWh	€ 88,3/MWh
✓ Minimum tariff set by the requirement specifications	€ 42/MWp	€ 45/MWp	€ 58/MWp
✓ Application deadline	**June 3rd 2019**		

AWARDED DEVELOPERS – 6TH SESSION OVERALL

CAPACITY TO IMPLEMENT BY DEVELOPER

✔ Results disclosed on **August 6th, 2019**

SOURCE: FINERGREEN'S ANALYSIS

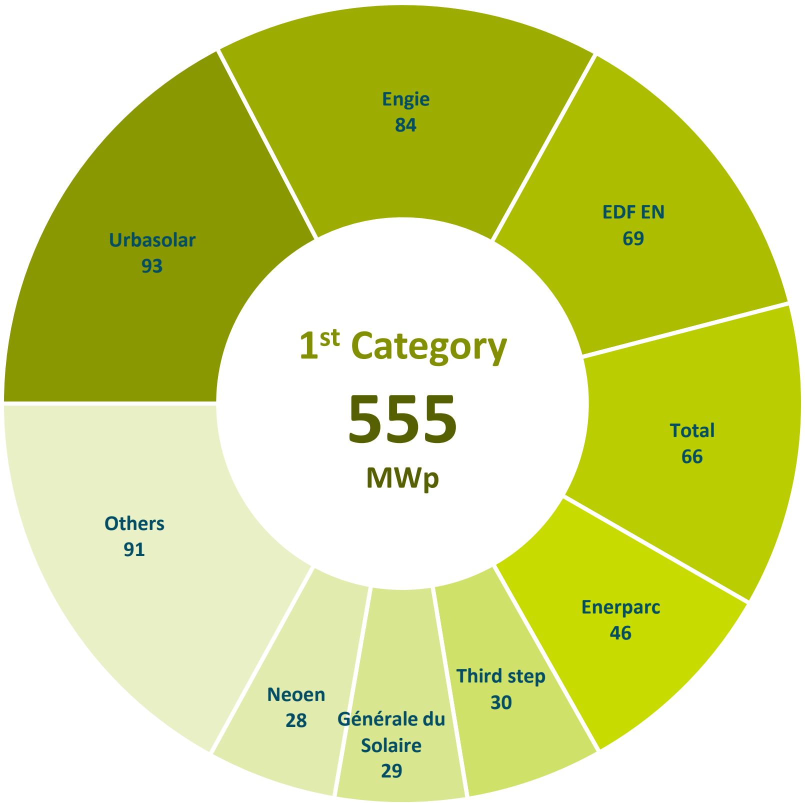


This graph aims at displaying the total capacity allocated by each developer, even though some assets may be developed for third-parties.

(1) includes Quadran (2) includes CNR, Solairedirect, Langa, Réservoir Sun and La Compagnie du Vent, (3) includes Luxel.

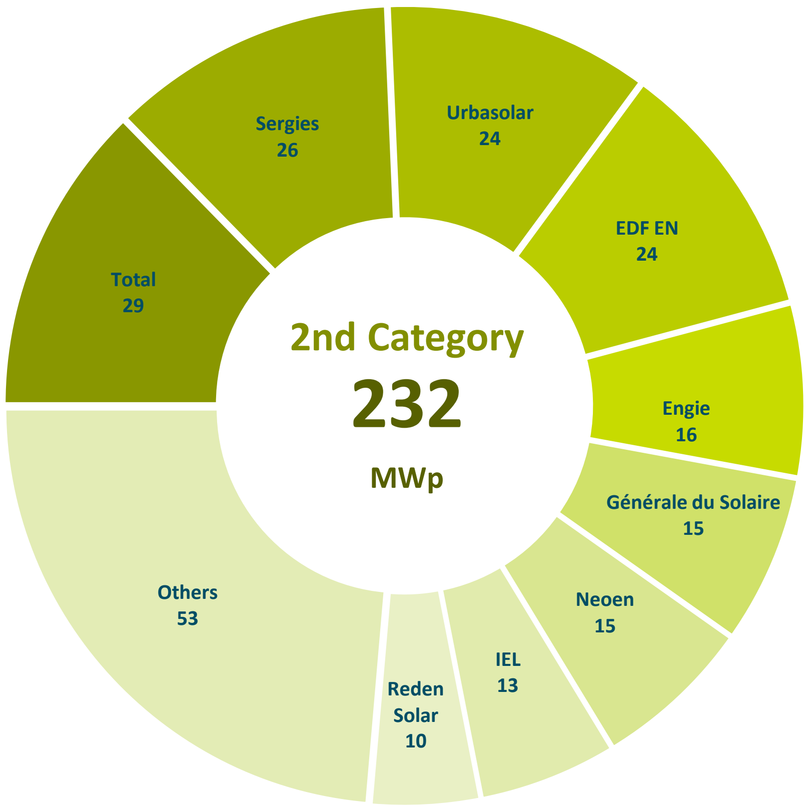
AWARDED DEVELOPERS – 1ST CATEGORY

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



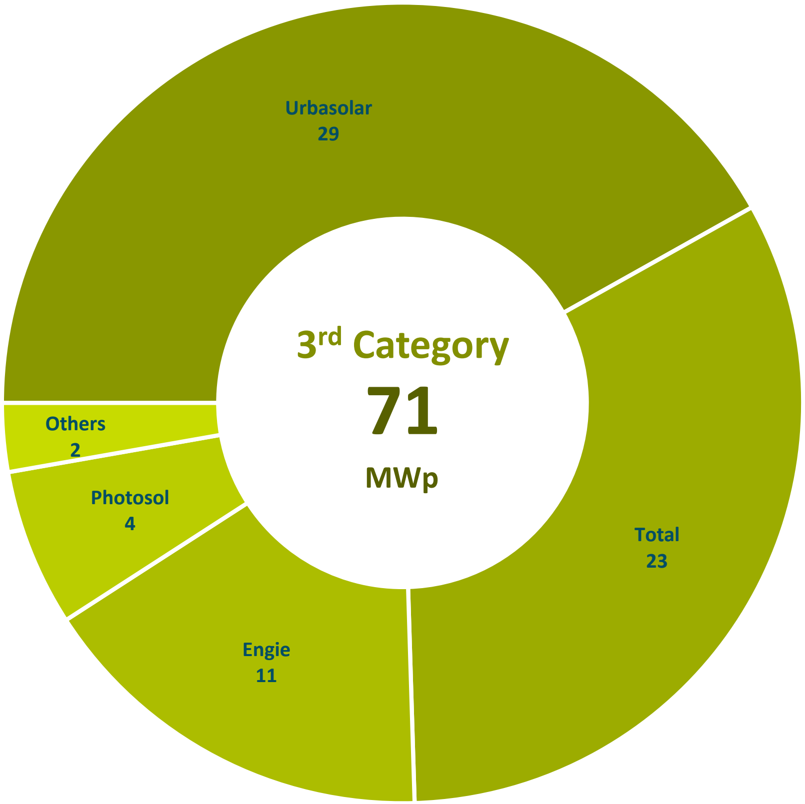
AWARDED DEVELOPERS – 2ND CATEGORY

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

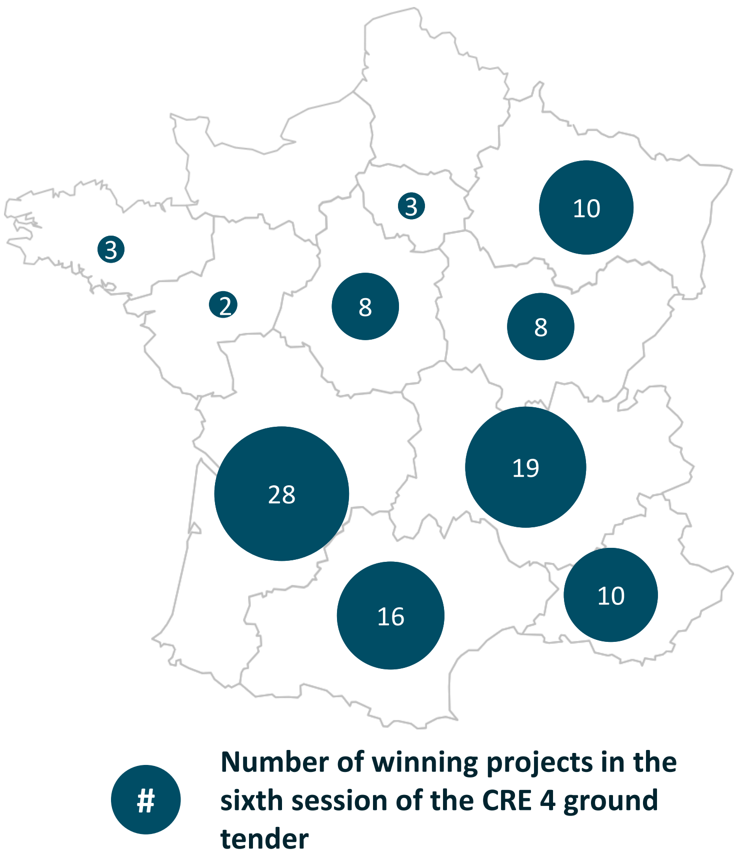


AWARDED DEVELOPERS – 3RD CATEGORY

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



GEOGRAPHIC DISTRIBUTION OF THE PROJECTS



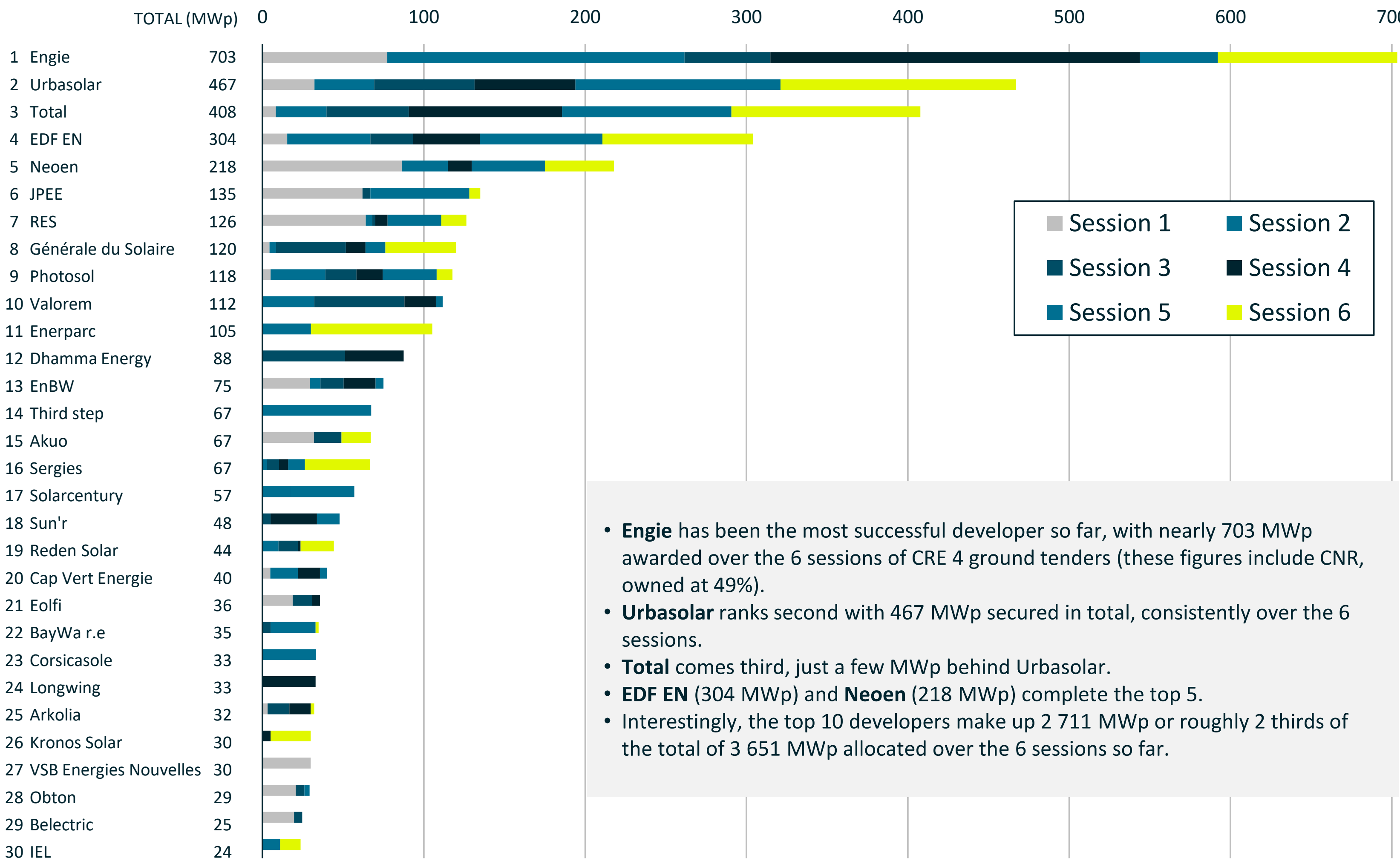
As in previous sessions, the **Occitanie, Nouvelle Aquitaine and Auvergne Rhone Alpes** regions stand out in this sixth one. More than half of the winning projects are located in these south-western regions.

It is to be noted that northern regions fare the worst. Three northern regions nevertheless stand in this tender : the Grand Est, Centre Val de Loire and Bourgogne Franche-Comté.

It should also be noted that the PACA region only has 10 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

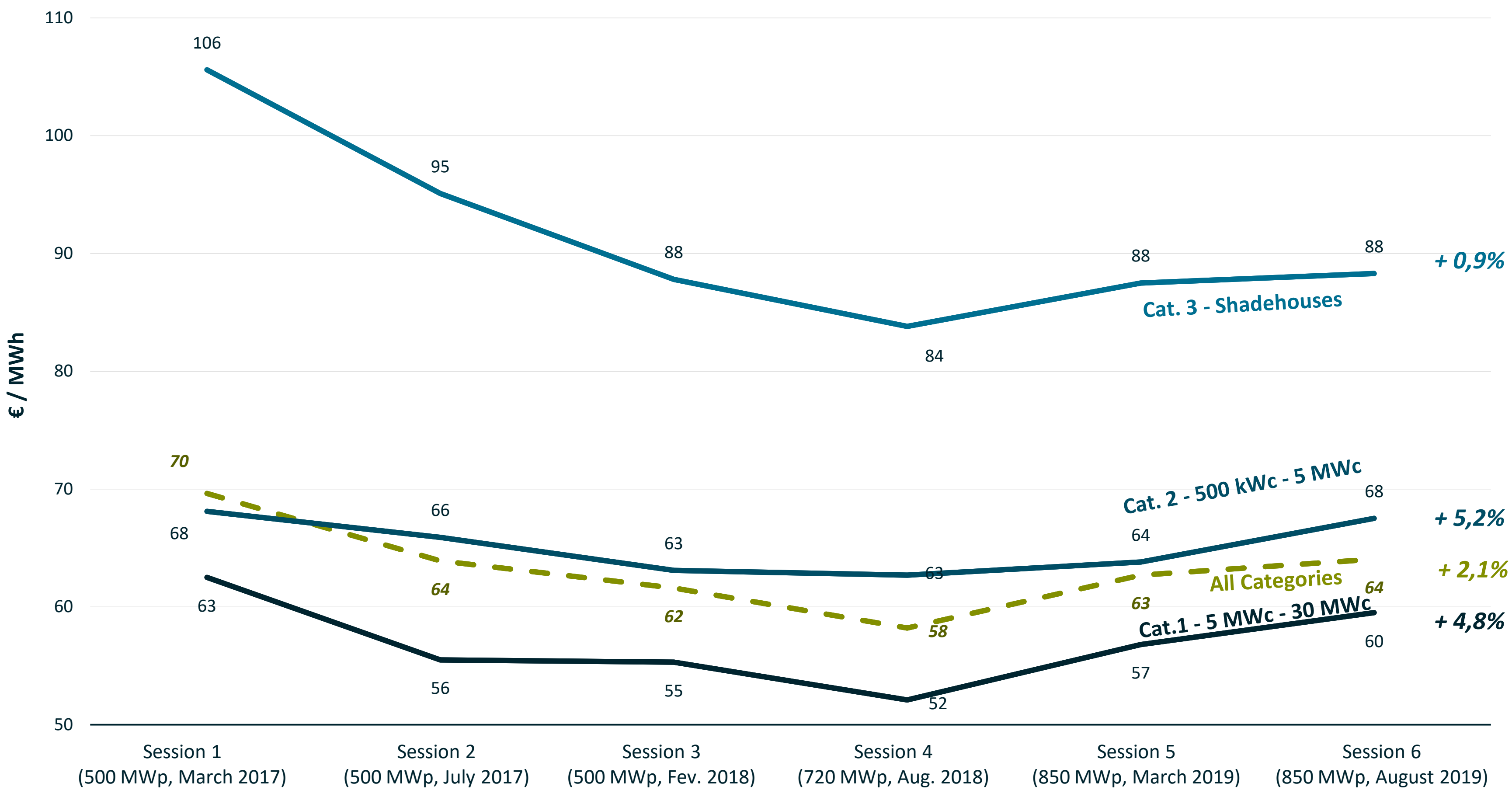
CUMULATED AWARDED CAPACITY RANKING OVER THE 6 SESSIONS OF CRE 4 GROUND TENDER



- **Engie** has been the most successful developer so far, with nearly 703 MWp awarded over the 6 sessions of CRE 4 ground tenders (these figures include CNR, owned at 49%).
- **Urbasolar** ranks second with 467 MWp secured in total, consistently over the 6 sessions.
- **Total** comes third, just a few MWp behind Urbasolar.
- **EDF EN** (304 MWp) and **Neoen** (218 MWp) complete the top 5.
- Interestingly, the top 10 developers make up 2 711 MWp or roughly 2 thirds of the total of 3 651 MWp allocated over the 6 sessions so far.

CRE 4 GROUND TENDER – TARIFF EVOLUTION

TARIFF EVOLUTION OVER THE 6 SESSIONS OF THE CRE 4 GROUND TENDER



- This graph shows that tariffs are continuing to go up, pursuing the trend observed at the last session.
- Whereas the tariff growth across all categories reached 7,7% last session, it has slowed down to a 2,1% rise only in this sixth session.
- The largest increase took place on the category 2 (+5,8%) but is closely followed by the category 1 (+4,8%).

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