



SUNNICA ENERGY FARM

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Volume 4

4.2 Funding Statement

APFP Regulation 5(2)(h)

Planning Act 2008

Infrastructure Planning (Applications: Prescribed Forms and
Procedure) Regulations 2009



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**The Infrastructure Planning
(Applications: Prescribed Forms and
Procedure) Regulations 2009**

Sunnica Energy Farm

Funding Statement

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Table of contents

Chapter	Pages
1 Introduction	2
1.2 The Proposed Development	2
1.3 The Purpose and Structure of this Document	3
2 Funding	4
2.1 Corporate structure	4
2.2 Sunnica Energy Farm costs	5
2.3 Sunnica Energy Farm funding	5
2.4 Land acquisition and blight	6
Appendix A Consolidated accounts of Solaer Holding⁸<u>LDP</u>	<u>9</u>
<u>Appendix B Consolidated accounts of Bafi Genki S.L., CECU Solar S.L. and Los Leandros Solares S.L.</u>	<u>10</u>
Appendix B<u>Appendix C</u> Details of projects by Solaer Holding	91

1 Introduction

- 1.1.1 This Funding Statement has been prepared by Sunnica Limited ("**Sunnica**"). It forms part of the application ("**Application**") for a development consent order ("**DCO**") that has been submitted to the Secretary of State for Business, Energy and Industrial Strategy ("**SoS**") under section 37 of the Planning Act 2008 ("**PA 2008**")

1.2 The Proposed Development

- 1.2.1 The Sunnica Energy Farm is a new solar energy farm proposal that would deliver electricity to the national electricity transmission network. Sunnica Limited is proposing to install ground mounted solar photovoltaic ("**PV**") panel arrays to generate electricity energy from the sun and combine these with a Battery Energy Storage System ("**BESS**") which will connect to the Burwell National Grid Substation in Cambridgeshire.
- 1.2.2 Electricity will be generated at Sunnica East Site A, near Isleham in Cambridgeshire; Sunnica East B, near Worlington and Freckenham in Suffolk and Sunnica West Site A near Chippenham and Kennett in Cambridgeshire. All locations will comprise ground mounted solar PV panel arrays, supporting electrical infrastructure and, a BESS.
- 1.2.3 Supporting electrical infrastructure will include onsite substations on Sunnica East A and B and Sunnica West A, and on-site cabling between the different electrical elements across the Scheme. The generating equipment of the Scheme will be fenced and be protected via security measures such as Closed Circuit Television and lighting. Inside the fenced areas, in addition to the generating equipment will be, internal access tracks, and drainage. It is not proposed for any area to be continuously lit.
- 1.2.4 Visual, ecological and archaeological mitigation is proposed which includes proposed grassland planting and new woodland; retention of existing woodland, wetlands and other vegetation; and offsetting areas where there will be no development. The BESSs will consist of a compound and battery array to allow for the importation, storage and exportation of energy to the National Grid. There will also be areas at Sunnica East Site A and Sunnica East Site B for office and storage facilities for use during the Scheme's operation.
- 1.2.5 The Scheme will be connected to a new substation extension at the existing Burwell National Grid Substation, using 400 kilovolt (kV) cables buried underground. The cables will run between Sunnica East Site A, Sunnica East Site B and Sunnica West Site A ("**Grid Connection Route A**"), and then from Sunnica West Site A onwards to the Burwell National Grid Substation ("**Grid Connection Route B**"). The 400kV cables will be buried and will connect the Scheme to the existing Burwell National Grid Substation to allow distribution to the national transmission network.
- 1.2.6 The Scheme will have two main access points, one north of Elms Road at Sunnica East B and one south of La Hogue Road at Sunnica West Site A. The main access route to Sunnica West Site A will be via the Chippenham junction of the A11, to the north of junction 38 of the A14. Sunnica East Site B will be

accessed via the A11 and B1085. A number of secondary access points are proposed to access the individual land parcels through construction, operation and decommissioning activities.

- 1.2.7 The Scheme qualifies as a Nationally Significant Infrastructure Project (“**NSIP**”) and will require a DCO from the SoS, due to its generating capacity exceeding 50 MW.

1.3 The Purpose and Structure of this Document

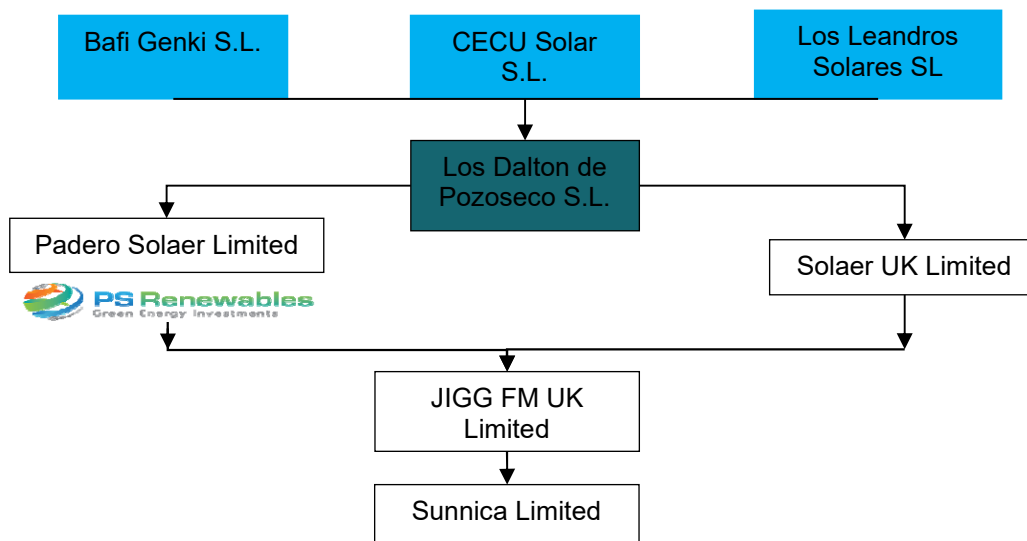
- 1.3.1 This Statement has been produced pursuant to Regulation 5(2)(h) of the Infrastructure Planning (Applications: Prescribed Forms and Procedures) Regulations 2009 (the “**APFP 2009**”) and the Department of Communities and Local Government guidance 'Planning Act 2008: Guidance related to procedures for the compulsory acquisition of land' (September 2013) (the “**Guidance**”)
- 1.3.2 This Statement is required because the DCO sought for Sunnica Energy Farm would authorise the compulsory acquisition of land or interests in land. This gives rise to the requirement under Regulation 5(2)(h) of the APFP 2009 for the Applicant to provide a statement indicating how the DCO containing these powers is proposed to be funded.
- 1.3.3 This Statement is one of a number of documents accompanying the Application and submitted to the Secretary of State, and should be read in conjunction with those documents. They include principally the **Statement of Reasons [EN010106/APP/4.1]**.

2 Funding

2.1 Corporate structure

- 2.1.1 Sunnica Limited (company number 08826077) ("**Sunnica**") is the Applicant for the Application. Sunnica is registered in England and Wales.
- 2.1.2 Sunnica is funded by Los Dalton de Pozoseco S.L. (NIF B72617475) ("**LDP**"). LDP is a company registered in Spain. [LDP replaces the previous parent company which was Solaer Holdings and which was referred to in previous drafts of this document. Solaer Holdings was sold to Solarpack and the sale includes projects under development in Spain and Italy but excluded projects in the UK, which were retained. It was necessary to set up a new holding company to hold the remaining assets, which included Sunnica.](#) Further information on how LDP funds Sunnica is included in section 2.3.
- 2.1.3 LDP is owned by the following entities:
 - 2.1.3.1 Bafi Genki S.L. (NIF: B-88497722)
 - 2.1.3.2 CECU Solar S.L. (NIF: B-16251134)
 - 2.1.3.3 Los Leandros Solares S.L. (NIF: B-16254864)
- 2.1.4 The majority shareholder of Sunnica is Jigg FM UK Ltd, a company registered in England and Wales under company number 11494026. The ownership of Jigg FM UK Limited is as follows:
 - 2.1.4.1 60% is owned by Padero Solaer Limited ("**Padero**"), a company registered in England and Wales under company number 08021337. The trading name of Padero is PS Renewables. [Padero was founded in 2012 and has built over 350 MW of ground mounted solar assets and is one of the largest development-engineering, procurement and construction companies in the UK for solar energy. They also have 5.3GW of solar assets under development;](#) and
 - 2.1.4.2 40% is owned by Solaer UK Limited ("**Solaer**"), a company registered in England in Wales under company number 08581872.
- 2.1.5 Jigg FM UK Ltd, Padero and Solaer are all group companies of LDP.

2.1.6 The above ownership structure is shown in the Organogram below:-



2.2 Sunnica Energy Farm costs

2.2.1 The current cost estimate for Sunnica Energy Farm is approximately £600 million. This estimate covers all aspects of the Scheme and has been arrived at by including construction costs, preparation costs, supervision costs, land acquisition costs (including compensation payable in respect of any compulsory acquisition), equipment purchase, installation, commissioning and power export. The estimate also includes an allowance for inflation and project contingencies.

2.3 Sunnica Energy Farm funding

2.3.1 Sunnica is funded by LDP. Funding is provided from LDP to Jigg FM UK Limited who then transfers the funding to Sunnica Limited.

2.3.2 LDP currently has assets of over €17,911,123.92 which is shown in its most recent consolidated accounts which are included at Appendix A.7

2.3.3 LDP's owners have current assets of over €150 million (the consolidated accounts of each are at Appendix B)

2.3.3.1 Bafi Genki S.L. - €55,025,075.00

2.3.3.2 CECU Solar S.L. - €44,892,543.50

2.3.3.3 Los Leandros Solares S.L. - €54,113,747.78

2.3.4 LDP is committed to the delivery of the Scheme and to date has already invested approximately £7 million of its own capital in land acquisition costs and costs associated with preparing the Application. It has also invested significant amounts of senior management time. It will also be funding the significant costs in taking the Application through the examination. As can be seen from its consolidated funds, LDP will be able to fund these costs from its own resources. [It can also be seen from the above that the owners of LDP has additional assets that it can use](#)

[to support the funding of delivering the Scheme through the diversion of assets into LDP. Whilst this is possible it is very unlikely to be necessary give the funding mechanisms referred to in the following paragraphs.](#)

- 2.3.5 If the Secretary of State grants development consent for the Scheme then, as is common in privately funded infrastructure projects, LDP would seek further funding with the support of its legal and financial advisors. LDP would consult with a variety of financial institutions and investors to enable the construction, operation and maintenance of the Scheme. A final decision has not yet been taken on the type of finance, including whether contracts for difference will be utilised, that will be used, but this approach is tried and tested in the market and LDP has no concerns that it would be unable to obtain finance for the Scheme's construction, operation and maintenance.
- 2.3.6 LDP [through PS Renewables](#), would construct, operate and maintain the Scheme under a turnkey full EPC contract for the external investors. LDP would also provide the appropriate guarantees to the external investors and would retain control of the construction, operation and maintenance stages of the Scheme's lifecycle and would be involved in the long term.
- 2.3.7 The description of funding provided above is very common place in the market. LDP's directors previously operated Solaer Holding SL and that company has significant experience in delivering multiple projects across the globe using this structure. It was active in the solar market since 2004 and developed more than 200 different projects totalling more than 1.5 GW of photovoltaic capacity. Included at Appendix C are details of some of the projects that Solaer Holding has already successfully brought forward through finance. It shows a very significant amount of experience in the solar market across the globe, working with high-profile investors.

2.4 Land acquisition and blight

- 2.4.1 The delivery of the Scheme requires the acquisition of land or rights (including the creation of rights and the imposition of restrictions) in, under, over land, and the temporary possession of land.
- 2.4.2 As set out in the **Statement of Reasons [EN010106/APP/4.1]**, the Applicant has already secured a number of voluntary agreements over the Order Land. However, compulsory acquisition powers are required to ensure that the Scheme can proceed without impediment.
- 2.4.3 The current estimate [of the costs](#) of the Scheme is £600 million. This includes an amount to cover the compensation payable in respect of any compulsory acquisition included in the DCO and required for the Scheme. [This estimate has been arrived at by the Applicant and informed by the considerable experience that its group companies have in bringing forward solar projects to operation.](#)
- [2.4.4 The Applicant's estimate is that the costs associated with the acquisition of rights in land for the Scheme will amount to £32 million. However, there is an assumption that outstanding compulsory acquisition costs could amount to a maximum of £25 million and these acquisition costs are included in the estimate of £600 million for delivery of the Scheme This does not reflect the full compulsory acquisition costs associated for Sunnica East A, Sunnica East B and Sunnica](#)

West A, as the majority of these sites have now been secured through voluntary lease agreements. As a consequence, compulsory acquisitions costs for these sites mostly will not occur and possibly may not occur at all if the final land agreements are secured before a decision on whether to grant development consent or not is made. Therefore, the estimate is considered very conservative as acquisition costs will be significantly lower.

2.4.5 The costs associated with Grid Connection Route A and Grid Connection Route B will amount to £356,000. These acquisition costs are included in the estimate of £600 million for delivery of the Scheme.

2.4.6 The estimate of £600 million is considered accurate despite the effluxion of time between revision 0 and 2 of this document. Whilst costs of hardware and land acquisition costs have risen between these two dates there has also been a reduction in the size of Sunnica Energy Farm which provides costs savings over the original estimate.

2.4.7 ~~2.4.4~~ Should any claims for blight arise because of the Application, the Applicant, through Solaer Holding, has sufficient funds to meet the cost of acquiring these interests at whatever stage they are served. However, the Applicant has not identified any interests which it considers could be eligible to serve a blight notice.

2.4.8 ~~2.4.5~~ The draft DCO also includes an Article preventing the exercise of the compulsory acquisition powers until the Secretary of State has approved a form of security from the Applicant.

2.4.9 The costs of decommissioning is not covered in the above figure. That is because there is an obligation on the undertaker, through the agreements it has reached with landowners, to create a form of security during the operational phase of Sunnica Energy Farm from its revenues to ensure there are funds available for decommissioning in accordance with the terms of the proposed DCO.

Appendices

Appendix A

Consolidated accounts of LDP

Appendix B Consolidated accounts of Bafi Genki S.L., CECU Solar S.L. and Los Leandros Solares S.L.

Appendix C Details of projects by Solaer Holding

UK – Eveley Solar Farm (Under Operation)

Size: 49 MW

Was one of the largest solar farms built in the UK in 2016, and was the last Renewable Obligation Certificate (ROC) subsidy projects that PS Renewables built. It has close to 100,000 solar panels, and connects to the SSE 132Kv line, this connection allows for the export capacity that is generated by this clean technology asset.

UK - Canworthey Water (Under Operation)

Size: 43 MW

At the time of construction in 2014 it was the largest solar project built in the UK, and was created over 3 locations (2 solar farm areas and 1 substation zone). It was connected during the Renewable Obligation Certificate (ROC) phase of the UK subsidy growth. It was a very tight build, and due to location had very small roads to manage and protect. The build was on-time and on-budget, something PS Renewables are very proud of, and it also allowed us to connect our first 132Kv substation, the first for a solar farm in the UK.

PORTUGAL – OURIKA (Under Operation)

Size: 49MW

Investor: Allianz Capital Partners, a company with more than EUR 44,3 billion of assets under management.

Total investment: 37.000.000 EUR (photovoltaic modules excluded)

SPAIN – GUZMAN (Under Operation)

Size: 50MW

Investor: Foresight Group Holdings Limited. Foresight manages £7.2 billion for some of the world's largest institutional investors and private and high net-worth individuals.

Total Investment: 38.000.000 EUR

COLOMBIA – LOS LLANOS (Under Operation)

Size: 5 x 20MW

Investor: TPG Capital, previously known as Texas Pacific Group. TPG is a global investment firm headquartered in San Francisco, California, and Fort Worth, Texas, with \$96 billion in assets under management.

Total Investment: 80.000.000 USD

COLOMBIA – SURIA (Under Development)

Size: 380MW

Investor: EDF RENOUVELABLES INTERNATIONAL, Électricité de France is a French multinational electricity generation and distribution company. It is the leading producer and distributor of electricity in France and Europe and is the second largest electricity producer in the world.

Total Investment: 238.000.000 USD

SPAIN – LAS QUINIENTAS (Under Operation)

Size: 110MW

Investor: OP Trust & BRUC. OPTrust has net assets of over \$23 billion. BRUC is the Spanish invest vehicle which OPTrust uses for renewable energy in Spain.

Total Investment: 85.000.000 EUR

SPAIN – PUERTO LUMBRERAS (Under Operation)

Size: 50MW

Investor: Private Equity from A&G Banca Privada.

Total Investment: 40.000.000 EUR

SPAIN – BRAZATORTAS + BELINCHON (Under Development)

Size: 250MW

Investor: Cobra Zero-E (Grupo ACS). ACS Group is a company committed to economic and social progress in the countries where it is located with €37 billion in total assets

Total Investment: 190.000.000 EUR

SPAIN – MANZANARES (Under Development)

Size: 40MW

Investor: SUNCO Capital. Sunco is a global investment firm headquartered in Madrid, Spain.

Total Investment: 30.000.000 EUR

Summary Report	
Title	pdfDocs compareDocs Comparison Results
Date & Time	01/03/2023 13:57:38
Comparison Time	3.64 seconds
compareDocs version	v5.0.200.14

Sources	
Original Document	[#137369608] [v2] SEF_4.2_Funding Statement REV1.docx
Modified Document	[#138396908] [v3] SEF_4.2_Funding Statement REV2.docx

Comparison Statistics	
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TOTAL CHANGES	25

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Deletions	
<u>Moves</u> / Moves	
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Document View	Word	Print