

RNS Number : 1622A
GCP Infrastructure Investments Ltd
18 December 2014

18 December 2014

GCP Infrastructure Investments Limited
("GCP" or "the Company")
Investment commitment of up to £45million

The Board of Directors of GCP, the UK's only listed infrastructure fund focused primarily on investments in UK infrastructure debt, is pleased to announce the completion on 17 December 2014 of a transaction subscribing for a loan note with a term of c.19 years and a value of up to £45 million (the "Loan Note"). The Company will advance c. £19 million at completion and the remainder is expected to be drawn down over the next few months subject to various conditions.

The Loan Note will be issued by GCP Green Energy 1 Limited and the proceeds used to provide a loan secured on a senior basis against a portfolio of solar and wind assets (the "Projects") owned by Good Energy Generation Assets No. 1 Limited, a wholly owned subsidiary of Good Energy Group plc. The Projects all receive 20 year government subsidies, either in the form of the Feed-in Tariff ("FIT") scheme or Renewable Obligation Certificates ("ROCs"), which inflate at RPI.

All payments of both principal and interest in relation to the Loan Note are expected to be serviced from income arising from the ROC and FIT cash flows generated by the operation of the Projects and from the sale of electricity.

The acquisition of the Loan Note has been financed fully from available cash reserves within the Company.

Contact details:

Gravis Capital Partners LLP

Stephen Ellis +44 (0)20 7518 1495

Rollo Wright +44 (0)20 7518 1493

Oriel Securities

Neil Winward +44 (0)20 7710 7600

Mark Bloomfield

Tunga Chigovanyika

Cenkos Securities

Dion Di Miceli +44 (0)20 7397 1921

Tom Scrivens +44 (0)20 7397 1915

Buchanan

Charles Ryland +44 (0)20 7466 5000

Sophie McNulty

Notes to Editors

The Company

The Company is a closed-ended London Stock Exchange-listed investment company that seeks to generate returns from senior and subordinated infrastructure debt and related and/or similar assets. The Company is advised by Gravis Capital Partners LLP.

Good Energy Group plc

Good Energy Group plc ("Good Energy") is a British energy company based in the South West of England, which supplies power and gas to residential and business customers. The company has over 46,000 electricity customers and 20,000 gas customers, and supplies customers with 100% renewable energy.

Good Energy is a voluntary licensee under the FIT scheme.

The Renewables Obligation

The Renewables Obligation ("RO") was introduced in the UK in 2002 and in Northern Ireland in 2005, and is administered by Ofgem. It was established to encourage the development of renewable energy generation by providing financial support to primarily mid- to large-scale renewable electricity generation projects in the UK and NI. In April 2010, the end date of the RO was extended from 2027 to 2037 for new projects to provide long-term certainty for investors and to ensure continued deployment of renewables to meet the UK's 2020 renewables target and beyond.

Ofgem issues Renewables Obligation Certificates ("ROCs") to renewable electricity generators ("Renewable Generators") for every megawatt hour ("MWh") of eligible renewable electricity they generate. Policy in respect of ROCs in the UK is set by the Department for Energy and Climate Change, and in NI by the Department of Enterprise, Trade and Investment ("DETI") (as energy regulation is a devolved matter).

All Renewable Generators apply to Ofgem for accreditation that their electricity is generated from eligible renewable sources. The number of ROCs issued per MWh generated varies according to the size and type of project, but once established will not vary over the life of the project.

The Feed-In Tariff Scheme

The Feed-in Tariff ("FIT") scheme became available in the UK on 1st April 2010 and is provided through licensed electricity suppliers. Under the FIT scheme, generators of electricity from renewable or low carbon sources such as [solar electricity panels](#) or [wind turbines](#) (the "FIT Generators") are entitled to receive Tariff Payments from those licensed electricity suppliers defined as FIT Licensees (either licensed electricity suppliers with more than 50,000 customers or smaller licensed electricity suppliers who elect to take part in the FIT scheme).

FIT Payments fall into two categories, the Generation Tariff and the Export Tariff. The Generation Tariff is a set rate paid by the FIT Licensee for each unit (or kWh) of electricity generated, the set rate being dependent on the size, type and age of the installation. The Export tariff is paid for each unit exported back to the electricity grid. Both tariffs are payable for a period of twenty years, with the set rates increasing annually at RPI each April (based on the figure for the preceding December).

Ofgem's key role is to maintain the Central FIT Register, which is a database of accredited installations. In addition, Ofgem administers the levelisation process and accredits small scale generators (installations with a capacity greater than 50kW) or micro and small scale anaerobic digestion installations. Ofgem is also responsible for ensuring suppliers comply with the FIT scheme requirements.

This information is provided by RNS
The company news service from the London Stock Exchange

END

MSCUWSKRSVAUARA