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Riverside 2 EfW FC – lenders / terms

Maya Chavvakula

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The delayed Riverside 2 energy from waste facility reached financial close with debt arranged by 9 commercial lenders, IJGlobal has learned.

The 96MW facility will be financed using a £525 million ($643m) debt package arranged across 2 tranches:

- £500 million – 7-year term loan
- £25 million – 7-year debt service reserve facility (DSRF)

Sources say that there are cash sweeps of 50% in the second half of years 6 and 7, and the debt is priced:

- 200bp over reference rate – years 1-5
- 225bp – year 6
- 250bp – year 7

Lenders include:

- ABN Amro
- AIB
- Banco de Sabadell
- Crédit Agricole
- HSBC
- Lloyds Bank
- MUFG Bank
- NatWest
- Rabobank

Riverside 2 was initially slated to reach FC in September (2022) but was delayed by several months due to "the complex nature of the deal", according to a source close to the process.

The facility – located in Belvedere, south London – was developed to mirror its predecessor Riverside 1 and will use the same technology developed by Hitachi.

At full capacity Riverside 2 will process 650,000 tonnes of non-recyclable waste sourced from east and south east London and will generate enough energy to power 140,000 average homes.

The facility will utilise well established moving grate technology that has been deployed across numerous operational EfW facilities in the UK, including Riverside 1.

The facility will be operated by Cory's in-house O&M team with construction set to begin in January (2023) and the plant is expected to be fully operational by 2026.

The project sponsor Cory's shareholders include:

- Dalmore Capital – 55%
- Fiera Infrastructure – 12%
- TfL Pension Fund – 12%
- Semperian PPP Investment Partners – 11%
- Swiss Life – 10%

Advisers on the project:

- DC Advisory – financial to borrower
- Linklaters – legal to the borrower
- Herbert Smith Freehills – legal to the lenders
- Deloitte – tax
- Fichtner – technical
- Tolvik – commercial
- Stantec – design