

IJGlobal ESG Award – Hybrid Renewables, APAC – ReNew

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ReNew is creating history with India's first round-the-clock (RTC) renewable energy project, financed by a green loan that wins the IJGlobal ESG Award 2023 for hybrid renewables in the Asia Pacific region.

One of the independent panel of judges said of [this landmark transaction](#): "The ReNew green loan is a high profile and industry leading transaction."

The \$1 billion green loan drew in a slew of international lenders – Rabobank, SMBC, BNP Paribas, Credit Agricole, DBS Bank, Intesa Sanpaolo, Mizuho, MUFG, Natixis, NordLB, Siemens Bank, Societe Generale – who signed up to a 20-year tenor. This was supported by \$320 million of equity from ReNew (51%) and Mitsui & Co (49%).

Natixis, Rabobank, SMBC and Mizuho acted as green loan coordinators on a financing facility.

Beyond accelerating India's renewable energy transition – where reliable energy provision is a key ESG achievement – the project has made an impact as a frontrunner for similar RTC projects in the region and beyond.

ReNew is one of the largest renewable energy developers in India, with a total capacity of 7.7GW under operation and 5.5GW in development. It won the 400MW Round the Clock (RTC) tender process, which was launched by Solar Energy Corporation of India Limited (SECI) – the national renewable energy offtaker for the Government of India.

In turn, the borrower – ReNew Surya Roshini Pte Ltd (RSRPL) – was set up to develop a 1.3GW solar-wind / battery hybrid renewables project across the Indian states of Rajasthan, Maharashtra, and Karnataka, and granted a 25-year PPA with SECI.

The project represents a milestone for renewable energy in India and the RTC format will help mitigate the power outages.

Strategy

The Indian government aims to generate at least 50% of energy from renewable sources by 2030, moving away from thermal sources and reducing intermittency by placing responsibility on private generators.

As a result, the RTC project is the first of its kind in India that will go on to be used as a case study both within India and internationally, where RTC auctions are being explored by other governments. For example, the Singaporean Energy Market Authority is also tendering a similar project.



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The project's financing structure is also one of the first ECB financings in India, and the first GW-scale renewable project in the country.

This required banks to consider merchants and uncontracted revenue when forming part of the overall base case revenue.

Construction is already underway, with commercial operations having started in August (2023).

The sponsor adopted a multi-contracting approach for the EPC works, with various components provided by the likes of Waaree for solar panels, Siemens-Gamesa, Envision and Fluence Energy.

Under the terms of the PPA of the RTC concept, ReNew has the obligation to meet a 70% to 80% minimum capacity utilisation factor (CUF) for 400MWac – a higher CUF, which essentially translates to firmer power or more defined hours of mandatory dispatch.

In order to produce 400MW of RTC electricity capacity, ReNew Power will be constructing an oversized portfolio with total capacity of 1.3GW (400MW from solar; 3x 300MW from wind) along with a 100MWh battery.

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