

IJGlobal ESG Award – Hybrid Renewables, N America – Edwards Sanborn

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The financing of Edwards Sanborn Solar & Storage – one of the largest integrated solar powered battery energy storage systems in California and the US – wins the IJGlobal ESG Award 2023 for hybrid renewables in North America.

One of the judges said of the project: "They have demonstrated innovation within the renewable energy sector by supporting the development of one of the largest solar plus storage projects in the world, while also actively addressing environmental challenges like the conservation of the Joshua tree and engaging with local tribes, setting a new industry approach for sustainable development and contributing to climate change mitigation."

The second phase of Edwards & Sanborn Solar PV Plant (410MW) and its associated BESS (760MW) was led by Terra-Gen – owned by Energy Capital Partners (ECP) and Igneo Infrastructure Partners – and involves a <u>debt package of \$958.6 million</u> where Nomura served as coordinating lead arranger. It reached financial close on 25 August 2022.



The credit facility is to support the construction and operation of Edwards

Sanborn Phase 1B (EdSan 1B) – the second leg of a multi-phase build-out of what is expected to be the largest solar plus storage project in the world.

The project consists of 410MW AC of solar capacity and 1,786MWh AC of battery storage located across more than 2,400 acres of land in Kern County, California.

Stakeholder engagement during development and construction of the project (both Phase I and II) has been particularly important, and Terra-Gen worked closely with 2 tribes – the San Manuel Band of Mission Indians and the Tejon Indian Tribe – and the US Air Force as the lead permitting agency to identify and manage potential impacts on culturally significant sites.

In preparation for clearing land, a plan was developed in consultation with the 2 tribes. This addressed the treatment of known historic sites in the area, as well as how any discoveries of cultural significance would be handled during project development.

Archaeological monitoring protocols were established, and a plan to ensure the handling of any human remains or funerary objects discovered on site would be conducted in accordance with tribal wishes.

Finally, a public outreach programme was developed, aiming to build wider understanding of the cultural significance and history of the area.

Environmental concerns

The Edwards Sanborn area is home to the Joshua tree, a species being considered for listing under the California Endangered Species Act (CESA), according to the California Department for Fish and Wildlife (CDFW).

This presented a challenge for the state of California, where thousands of megawatts of solar projects are being developed in desert areas that may be Joshua tree habitat.

Terra-Gen led the way in developing an industry approach to this issue, creating a pathway for near-term renewable energy projects like Edwards Sanborn to proceed, while simultaneously supporting conservation of the Joshua tree.

The developer worked with the CDFW to develop a Joshua tree "take permit", enabling the company to disturb examples of the tree where needed for project development, with an impact mitigation plan.

This plan included providing \$3.5 million to support broader conservation and mitigation efforts in other areas of high-quality Joshua tree woodlands, according to the fish and wildlife department plan.

Terra-Gen is also working with the local planning and natural resources department to develop a Joshua tree woodland preservation plan.

This approach is now being used by other project developers in the region.

According to the submission: "The outcome is a win-win for Edwards Sanborn and the CDFW, since climate change is a key threat to Joshua trees, and a risk that renewable energy projects like Edwards Sanborn contribute to mitigating."

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