

# IJInvestor Awards 2024 – Joint Venture Acquisition, Americas

---

**Lisa Botter**

06/12/2024

The acquisition of South Fork and Revolution Wind was awarded Joint Venture Acquisition of the Year in the Americas, with judges saying the transaction sets a new precedent.

The transaction saw Eversource Energy sell its 50% interest in the 2 projects it co-owned with Ørsted.

Global Infrastructure Partners', a part of BlackRock, portfolio company Skyborn Renewables acquired the stake in the 132MW South Fork Wind project and the 704MW Revolution Wind project for \$745 million.

Judges said this was a significant transaction for the market and were impressed that it was pulled off given its intricacies.

Another member of the independent judging panel said: "There was a huge amount of capital formation surrounding the projects and transactions."

Meanwhile, one judge put it very simply: "The transaction opened up the market."

Revolution Wind will interconnect in Rhode Island, powering the state as well as Connecticut. The project is under construction and estimated to be operational in 2026.

The project is contracted under 20-year PPAs with Connecticut Light & Power (Eversource), United Illuminating (Avangrid) and Rhode Island Energy (PPL). Revolution Wind is the second, large scale, broadly syndicated offshore wind project in the North American PF market.

South Fork is located off the coast of Montauk Point, New York. The project began delivering power in 2024 and is fully contracted under a 20-year PPA with Long Island Power Authority. Additionally, South Fork Wind is the first utility-scale offshore wind farm to achieve commercial operations in the US with Revolution to follow.

The pair agreed to the transaction back in February with an initial purchase price of \$1.12 billion. The transaction price was subsequently adjusted down approximately \$150 million due to lower capital spending and around \$225 million due to the delay of the commercial operations date of Revolution Wind.

The submission said: "To ensure financing execution on a timely basis in this M&A transaction, the sponsor contacted a small group of top-tier PF banks to fully underwire and provide committed financing for both projects.

"Despite a very crowded market, the Revolution garnered substantial market interest and was ultimately oversubscribed, reflecting the project's robust economic fundamentals."

Offshore wind problems globally and around the world have faced challenging headwinds, specifically regarding the

economic viability of projects, including heavily constrained supply chain and dramatic cost increases, resulting in some Sponsors exiting their developments.

The submission said: “The risk profile of the Revolution and South Fork projects are considered materially superior to similar transactions of this size and scope due to the comprehensive protections provided by Eversource under the Membership Interest Purchase Agreement (MIPA). The MIPA obligates Eversource to fund, through a 'True-Up Mechanism', cost overruns during construction in excess of agreed caps; at COD for delays and final cost overruns including IDC; inability to raise tax equity; disallowance of 10% ITC adder and make Equalization Payments if the Project was abandoned. Furthermore, Eversource protects GIP economically against the risk of PPA cancellation under the MIPA.”

MUFG is served as 1 of 3 initial CLAs, which are underwriting a third of the acquisition financing of Revolution Wind and South Fork Wind projects by GIP. The other 2 CLAs are Mizuho and BNP Paribas.

Advisers to Eversource:

- Goldman Sachs – financial
- Ropes & Gray – legal

Advisers to GIP:

- JP Morgan Securities – financial
- Greenhill – financial
- Vinson & Elkins – legal

*Thank you for printing this article from IJGlobal.*

*As the leading online publication serving the infrastructure investment market, IJGlobal is read daily by decision-makers within investment banks, international law firms, advisory firms, institutional investors and governments.*

*If you have been given this article by a subscriber, you can contact us through [www.ijglobal.com/sign-in](http://www.ijglobal.com/sign-in), or call our London office on +44 (0)20 7779 8870 to discuss our subscription options.*