

Construction Stage Solar Acquisitions – CA/MA deal summary

Transaction overview

- Tortoise, through its closed-end fund, acquired and aggregated a 11 megawatt (MW) portfolio of three construction stage solar assets totaling ~\$18 million
 - 2 solar photovoltaic (PV) projects in Massachusetts selling power to investment grade rated utilities under a 20 year power purchase agreement (PPA); one of the projects includes battery storage paired with solar PV
 - 1 solar PV project in California selling power to an investment grade rate municipality under a 25 year PPA
- Each asset was sourced bilaterally through our proprietary industry network
 - Two of the three acquisitions are with counterparties with whom Tortoise has transacted in the past
- Construction performed by two leading firms under fixed-price, date-certain turnkey contracts
 - Both firms constructed solar projects on time / on budget for Tortoise in the past
- Secured investment from a large US insurer to efficiently monetize the tax credits and depreciation under a customary structure



Investment rationale

- Stable cash flows with low operational and financial risk
 - Fully contracted, with fixed-price 21.1 year (weighted-average) PPAs
 - ~100% contracted with investment grade rated counterparties
 - Portfolio uses Tier 1 proven equipment (i.e. panels, inverters) with customary long-term warranties
- Projects located in states (CA / MA) with growing markets and favorable regulatory policy for renewables
 - Battery storage component supported by accretive revenue tariff in MA and potential for additional revenues through a separate revenue contract

Disclaimer

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