

**NextEnergy Capital**75 Grosvenor Street  
Mayfair | London  
W1K 3JS+44 (0) 203 746 0700  
nextenergycapital.com

London, October 4, 2024

# NextPower UK ESG

## UK's Largest Operating Solar Farm Secures 20-Year Sleeved PPA

NextEnergy Capital (“NEC”), a leading global renewables manager is pleased to announce that NextPower UK ESG (“NPUK ESG”) has signed one of the UK’s largest solar sleeved Power Purchase Agreements (“sleeved PPA”) to date. The sleeved PPA is a 20-year inflation-linked contracted revenue agreement that covers 90% of the electricity and any associated Renewable Energy Guarantees of Origin certificates (“REGOs”) generated by Llanwern Solar Farm, currently the UK’s largest operating solar farm with an installed capacity of 75MW.

Llanwern Solar Farm, located in Newport, Wales, was one of NPUK ESG's first seed assets with an installed capacity of 75MW, the equivalent of powering an estimated 20,606 homes per year, remains the largest solar farm constructed and energised in the UK to date, covering 260 acres.

The sleeved PPA is a four-way physical contract that involves NPUK ESG selling power to Anglian Water Services (“AWS”) with the involvement of both EDF in the UK, and SSE. The agreement works through EDF taking the power generated by Llanwern, which is then balanced, firmed, and converted, changing the intermittent generation into baseload blocks of power which is then sleeved to AWS via their energy supplier, SSE. This innovative structure allows the renewable generated solar profile to then reliably match the energy profile that is required by AWS, helping them towards their decarbonisation targets.

NPUK ESG is a private UK solar fund that focuses on acquiring utility-scale solar and battery storage (“BESS”) assets at the ready-to-build stage, constructing them through energisation in order to build a large operating portfolio of solar and BESS assets. Once the assets are operational, NPUK monetises the power generated through a contracted strategy enabling a high degree of predictability and visibility on the Fund’s cash yield. During the holding period, the investment team will take a hands-on approach to risk mitigation and value creation, optimising the assets over the fund's life before looking to exit the portfolio. Since its launch in August 2022, NPUK has already been able to make two distribution payments to its investor base, which have been in excess of target, alongside reporting impressive Net Asset Value growth.

**Michael Bonte-Friedheim, NextEnergy Group CEO and Founder, said:**

*“NextPower UK ESG is one of the UK’s leading private solar funds that is playing a crucial part in the UK’s transition to Net Zero, as well as increasing the UK’s energy security through independence. This 20-year sleeved PPA fits perfectly into NextPower UK ESG’s contracted revenue strategy and demonstrates the future growth opportunity that solar serves in providing long-term power generation to both utilities and corporates as they increasingly look towards renewable energy sources as part of their decarbonisation journey.”*

**David Riley, Head of Carbon Neutrality Anglian Water, stated:**

*“Anglian Water is committed to being a carbon neutral business to the benefit of customers and the environment across our region. This leading and innovative structure has enabled renewable energy to be consumed with a direct line of sight to the physical solar asset, made possible with the dedication and shared expertise from teams within NEC, EDF, SSE and Anglian Water.”*

**Paul Barwell, Head of Energy Sales at NextEnergy Capital, quoted:**

*“This innovative 20-year sleeved PPA locks in long-term, inflation-linked contracted revenues for NextPower UK ESG investors. We continue to see a growing opportunity for companies in the UK who have made ESG commitments to decarbonise their energy use, to work with knowledgeable managers such as NextEnergy Capital, to help companies achieve their targets towards a Net-Zero economy.”*

**Further information:****NextPower UK ESG**

NPUK is a 10-year closed-ended private fund managed by NextEnergy Capital. It is a private unlevered Fund investing in new-build solar projects, backed by PPAs, in the UK.

- Launched in December 2021 targeting £500m, to invest into post-subsidy solar plants in the UK with contracted revenues.
- The UK Infrastructure Bank provided cornerstone match-funding capital for up to £250m.
- The Fund has since been supported by some of the largest LGPS pools in the UK as well as sophisticated investors ranging from the Middle East to Japan.
- Offers investors the opportunity to earn attractive risk-adjusted returns from solar PV infrastructure in the UK.
- Fund returns are then enhanced through NextEnergy Capital’s expertise in technical outperformance, private wire agreements, repowering and storage additionality.
- Benefits from access to the Fund’s own secured and proprietary pipeline.
- Real, measurable additionality ESG impacts, including biodiversity measures and community engagement.

**NextEnergy Group**

NextEnergy Group was founded in 2007 to become a leading market participant in the international solar sector. Since its inception, it has been active in the development, construction, and ownership of solar assets across multiple jurisdictions. NextEnergy Group operates via its three business units: NextEnergy Capital (Investment Management), WiseEnergy (Operating Asset Management) and Starlight (Project Development).

## NextEnergy Capital

NextEnergy Capital (“NEC”) comprises the Group’s investment management activities. To date, NEC has invested in over 460 individual solar plants for a capacity in excess of 3GW across its institutional funds. [www.nextenergycapital.com](http://www.nextenergycapital.com)

- **First Fund:** [NextEnergy Solar Fund \(“NESF”\)](#), is a specialist solar energy and energy storage fund, which is listed on the main market of the London Stock Exchange. It currently has an installed capacity of 980MW spread among 102 individual operating assets in the UK and Italy, comprising an unaudited gross asset value of £1,124m. NESF is one of the largest listed solar and energy storage investment companies in the world.
- **Second Fund:** [NextPower II \(“NPII”\)](#), a private fund made up of 105 individual operating solar power plants and an installed capacity of 149MW, focused on consolidating the substantial, highly fragmented Italian solar market. Launched in 2016, NPII was successfully divested in January 2022 at IRRs significantly in excess of its gross target of 10-12%.
- **Third Fund:** [NextPower III ESG \(“NPIII ESG”\)](#), is a private fund exclusively focused on the international solar infrastructure sector, principally targeting projects in carefully selected OECD countries, including the US, Portugal, Spain, Chile, Poland, Greece, and Italy. NPIII is now fully invested with 172 assets, totalling 1.8GW. NPIII completed its fundraise with a total of \$896m, including an SMA raised. The target of the fund was \$750m.
- **Fourth Fund:** [NextPower UK ESG \(“NPUK ESG”\)](#), is a private unlevered fund investing in greenfield subsidy-free solar projects, with PPA’s, in the UK. NPUK ESG is a 10-year closed-ended private fund targeting £500m. To date, NPUK has raised total commitments of £683m, with the UK Infrastructure Bank providing cornerstone match-funding of £250m.
- **Fifth Fund:** [NextPower V ESG \(“NPV ESG”\)](#), is a private contracted solar strategy that offers investors the opportunity to earn strong risk-adjusted returns from the solar PV infrastructure asset class with a highly experienced team and a track record of success in solar deployment globally. The strategy will primarily invest in OECD solar assets and adjacent technologies (e.g. battery storage) in the target markets. NPV ESG has to date raised \$745m in commitments (including \$150m in co-investment allocations) and is targeting \$1.5bn in size with a \$2bn ceiling.

Further information on the NextEnergy Group is available at: [www.nextenergygroup.com/](http://www.nextenergygroup.com/)

## WiseEnergy®

WiseEnergy® is NextEnergy Group’s asset operator. WiseEnergy is a leading specialist asset operator in the solar sector. Currently, WiseEnergy provides development, construction and operating services to over 1,500 solar and battery assets with an installed capacity in excess of 2.5GW. Its asset management clients include listed solar funds (in addition to the Company), banks, private equity funds and other specialist investors. Further information on WiseEnergy is available at: [www.wise-energy.com](http://www.wise-energy.com)

## Starlight

Starlight is NextEnergy Group’s development company that is active in the development phase of solar projects. It has developed over 100 utility-scale projects internationally and continues to progress a large pipeline of c.10GW of both green and brownfield project developments across global geographies. [www.starlight-energy.com/](http://www.starlight-energy.com/)

For further information:

NextEnergy Capital Limited +44 (0) 203 746 0700

Peter Hamid

---

END