



NextEnergy Capital signs long-term Power Purchase Agreements with Shell Energy North America

Agreements enable further development of solar assets in the U.S.

London – 28th of May, 2020 – NextPower III, NextEnergy Capital’s (“NEC”) third institutional solar fund, is pleased to announce the signing of two Power Purchase Agreement (PPA) contracts with Shell Energy North America (NA), L.P. (“Shell Energy”). The sale includes c.62GWh p.a. (approximately 90% of energy generation) for a period of 10 years and an equivalent amount of Renewable Energy Certificates for a period of five years.

“The execution of these long-term contracts is a landmark for NextPower III and is all the more significant for having been achieved against the backdrop of COVID-19 and the associated oil shocks,” commented Lorena Ciciriello, Managing Director and Head of Debt Financing at NextEnergy Capital. “Virginia has historically been a coal-centric state and we are delighted that these solar projects will support Dominion Energy Virginia’s 16GW IRP target over the next fifteen years.”

- The Portfolio of 45MW is comprised of two projects, Briel Farm and Gardy’s Mill, located in Henrico and Westmoreland Counties respectively, in the State of Virginia;
- These projects are part of NextPower III’s 250MW portfolio in the US and are connected to Dominion’s distribution network;

“At Shell Energy we are dedicated to delivering more and cleaner energy solutions to our customers in a responsible way,” said Glenn Wright, President of Shell Energy North America. “We’re proud to be working with NextEnergy Capital to enable further development of renewable energy assets that provide the kind of energy solutions that society demands.”

- The Briel Farm and Gardy’s Mill projects will sell energy and Renewable Energy Certificates in the PJM Market and will benefit from Capacity Market revenues secured via auctions;
- The construction of both plants is underway with expected commissioning by the end of the year.

“We have established a long-term relationship with Shell Energy,” said Jean-Baptiste Bonnaud, Vice President in NextEnergy Capital’s Investment Team added, “thanks to our unique solar PV expertise and leveraging the experience of our Energy Sales team headed by Paul Barwell.”

Dan Lynch, Partner at Akin Gump which served as Legal Advisor in the negotiations and structuring of these Agreements, added, *“We are happy to be partnered with NextEnergy Capital on this portfolio of assets and believe Shell Energy will be a valued offtake partner. This relationship demonstrates how NextEnergy Capital are forward-looking and leading the charge with their investment strategy in clean energy.”*

Notes to Editors

About NextEnergy Capital (NEC)

NEC was founded in 2007 to become the leading investment and operating asset manager in the solar sector. Since its inception, it has been active in the development, construction and ownership of solar assets. It currently has solar assets under management of c.US\$2.3bn, across three investment vehicles. To date, NEC has invested into over 200 individual solar plants for an installed capacity in excess of 1GWp.

NEC manages three investment vehicles: two private funds, NextPower III and NextPower II, and one listed investment company, NextEnergy Solar Fund Limited.

NextPower II is a private fund investing in operating solar power plants, focused on Italy. Its strategy is to consolidate the substantial, highly fragmented Italian solar market, and has commitments of €232 million, secured from Prudential Assurance Company, a subsidiary of M&G Prudential, a leading institutional investor with more than £500 billion of assets under management, and including Pantheon, an experienced investor in infrastructure, private equity and real assets with over US\$42 billion in AUM. NextPower II currently owns 95 solar plants in Italy comprising c.137MWp and is among the ten largest solar asset owners in Italy.

NextEnergy Solar Fund is a listed investment company that invests in operating solar power plants mainly in the UK. It currently owns c.754MWp spread among 91 individual assets in the UK and Italy, comprising a gross asset value of c.£1,060m. NESF has raised equity proceeds of c.£792m since its initial public offering on the main market of the London Stock Exchange in April 2014. At present, it is listed on the FTSE 250 index and is one of the largest listed solar energy funds in the world.

NextPower III is a private ESG infrastructure fund established to invest in the international solar sector, specifically to fund the construction and long-term ownership of solar power plants. NextPower III's target markets comprise mainly OECD countries. It currently has commitments of c.US\$280m, and a target size of US\$750m. NP III currently owns six solar plants, for a total installed capacity of 358MW and has circa 900MW in exclusivity.

In addition, NEC is active in the operating asset management through WiseEnergy, the leading specialist operating asset manager in the solar sector. Since its founding, WiseEnergy has provided solar asset management, monitoring and technical due diligence services to over 1,300 utility-scale solar power plants with an installed capacity in excess of 1,700MWp and value of c.\$3.5 billion. WiseEnergy's clients comprise leading banks and equity financiers in the energy and infrastructure sector.

NextEnergy Capital is also active in the development phase of solar projects. It is progressing a very large pipeline of development projects in the UK totalling in excess of 2GWp and is developing a pipeline of 300MWp in Italy.

Further information on NEC, WiseEnergy and NESF is available at www.nextenergycapital.com, www.wise-energy.eu and www.nextenergysolarfund.com.

About Shell Energy North America

Shell Energy North America (US), L.P. (SENA) is among the largest wholesale energy marketers and traders in North America and provides a comprehensive portfolio of energy-related products and services. Consistently ranked within the top three gas and power marketers in its region, SENA's capabilities include marketing natural gas within the USA and Canada, with a sales volume of approximately 10 billion cubic feet per day and marketing wholesale and retail power, with sales

topping 270 million megawatt hours annually. A participant in nearly all organized power markets, SENA manages more than 10,000 megawatts (MW) of power generation capacity, with more than a third of that power coming from renewable sources including hydro, wind and solar.

www.shell.us/business-customers/trading/shell-energy-north-america.html

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