

Greencoat UK Solar and Innova Renewables announce strategic partnership for solar energy and storage

Partnership aims to contribute to UK Net Zero targets and bolster energy security

Carn Nicholas, a 10MWp solar farm, is first acquisition made

5GW of solar PV and battery storage targeted

UK, London, 5th April 2023 — Schroders Greencoat LLP (“Schroders Greencoat”) and Innova Renewables Limited (“Innova”) have today announced a strategic partnership to construct and operate solar energy generation and battery storage projects across the UK. As part of the partnership, funds managed by Schroders Greencoat have together with Innova established ISG Renewables, a new platform to help contribute to the UK’s energy security ambitions and Net Zero strategy.

The partnership has an ambition of financing and developing 5GW of renewable energy capacity over the next three to five years, building on the current Innova distribution connected pipeline of 1.5GW across solar and storage. ISG Renewables’ first acquisition is Carn Nicholas Solar Park, a 10MWp solar farm in Swansea, Wales, developed and constructed by Innova Renewables. Having completed construction in early 2023, the project has been energised and is now operational. The solar asset is expected to generate clean electricity sufficient to reduce c.2,000 tonnes of CO₂ equivalent emissions annually.

ISG Renewables will leverage the proven experience and expertise of both parties in the development, acquisition, construction, delivery and operational management of large-scale portfolios. Schroders Greencoat will provide access to long-term capital and contribute expertise in portfolio management, operational management, and long-term asset optimisation, bringing experience from managing over 1.1GW of solar capacity across almost 130 solar farms in the UK. Innova will bring to the joint venture their construction and development project portfolio, and in-house expertise in the development of sites, construction, and operational management.

ISG Renewables will target a proportion of contracted revenues through CfDs, private wires, and corporate PPAs, with a further two sites to be acquired which are expected to soon become operational and a further three in design and procurement in 2023. In parallel to the existing development pipeline, ISG Renewables aims to acquire third party-developed projects across the development lifecycle to augment its development and construction pipelines, to deliver an operational portfolio which meets the partners’ shared ambitions.

Lee Moscovitch, Schroders Greencoat Partner, said:

“We are very excited to be working closely with Innova to substantially grow our presence in the UK solar generation and storage market. As one of the leading renewables investors in the UK, we have been long-time front-runners in the deployment, management, and optimisation of the country’s renewable infrastructure, and we’re thrilled to start so strongly with the new solar farm at Carn Nicholas, which is already operational. This opportunity brings further long-term inflation protected cashflows to our investor base, building on our existing 1.1GW portfolio of UK solar assets. Looking to the future, ISG Renewables is well placed to contribute to the UK’s leadership position within the global energy transition, and to help meet society’s need for clean, affordable and reliable power.”

Robin Dummett, Director at Innova, said:

“We are delighted to announce this strategic partnership with Schroders Greencoat, with Innova’s pipeline providing the cornerstone to deliver this exciting opportunity at a very large scale. Grounded in shared values and ambitions in the renewable energy sector, we believe this market-leading platform, which combines Innova’s development and operational expertise with Schroders Greencoat’s longstanding reputation for delivery, has the capacity to make a major contribution to the UK’s energy security and net zero targets. Having commenced our construction programme last year, we are delighted that our first project is now operational, with further sites expected to become operational throughout 2023 and we look forward to working with Schroders Greencoat to deliver against our shared ambitions.”

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About Schroders Greencoat

Schroders Greencoat UK Solar is a platform which currently manages two funds which own and operate Solar PV generation assets across the UK with a long-term investment horizon. Schroders Greencoat’s first solar fund, Greencoat Solar I LP was launched in response to investor demand for an unlisted product investing in operating UK solar farms in 2016. Greencoat Solar II LP reached its first close in September 2017 with £260m of capital from several major UK pension schemes. The UK solar business manages £1.6 billion of capital.

Schroders Greencoat, formerly Greencoat Capital LLP, is a specialist manager dedicated to the renewable energy infrastructure sector. With offices in London, Dublin, Frankfurt, Amsterdam, Copenhagen, and Madrid, as well as in New York and Chicago, and over £8.8 billion under management, Schroders Greencoat is one of the largest dedicated managers in Europe. It was founded in 2009 and currently has fund mandates with strategies investing into bioenergy, renewable heat, solar and wind energy infrastructure in the UK, Europe and the United States. In total, the company manages renewable generation assets with an aggregate net generation capacity of over 5.5 GW.

For more information about Schroders Greencoat, please visit <https://www.schrodersgreencoat.com>.

About Innova

Innova is a fast-growing renewable energy business with over 100 people across two offices in London and the Cotswolds. Innova is committed to developing, building, and operating innovative renewable energy hubs, helping deliver environmentally sustainable, green energy solutions to businesses and local communities.

Innova currently has over 60 DNO and Grid connected sites under development in the UK, with a combined solar and storage capacity in excess of 20 GW. Innova offers an integrated approach to renewable energy development and operations, offering services across the life cycle of any project including planning, grid connections, project rights development, financing, construction and asset management, power purchase agreements and long-term operations.

For more information about Innova, please visit www.innova.co.uk

Media enquiries:

Schroders Greencoat:

Tom Rayner
Sillion
tom.rayner@sillion.co.uk
+44 20 3858 7800

Gavin Cahill
Sillion
gavin.cahill@sillion.co.uk
+44 20 3858 7800

Innova:

Kristianne Stanton-Jones
Innova
kristianne@innova.co.uk
01242 436630