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# RENEWABLE ENERGY BONDS

With the growing demand for renewable energy, there is an increased need for new project development. But getting a renewable energy project off the ground can pose various challenges including securing financing, hedging against production shortfalls, securing contracts with counterparties, and finding the right contractors. Despite these challenges, contractors, tier-1 suppliers and developers will require the bond capacity to construct and operate renewable energy projects.

At Skyward Specialty, we have bond experts with more than **50 years of industry underwriting experience** that create solutions to support the transition to renewable energy. With \$30 million single and \$100 million of aggregate capacity available, we can support the surety needs of your clients.

## TYPES OF RENEWABLE ENERGY OBLIGATIONS

### EPC Contract

- ▶ Known as “turnkey” construction contracts, Engineering, Procurement & Construction (EPC) contracts obligate te contractor to manage the entire production spectrum & deliver a fully completed facility
- ▶ The liability for the project’s success falls on the contractor, not the project owner

### Interconnection Agreements

- ▶ Solar facilities are often built near specific junction points because the cost to build the infrastructure can be extremely high
- ▶ Interconnection agreements are contract to allow the facility to plug into the grid
- ▶ The process must follow national codes and standards

### Decomissioning Bonds

- ▶ Requested by land owners, municipalities, states and federal government
- ▶ Bond provides recourse to the government, taxpayers, and landowners should the principle fail to properly decommission the facility

### Power Purchase Agreements

- ▶ An agreement between the power producer and the offloader to guarantee the volume of power to be produced in a specified time & then purchased at an agreed-upon price
- ▶ Protects the offloader if the facility it is purchasing power from fails to provide the contracted amount of power

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