

RENEWABLE ENERGY BONDS



With the rising demand for renewable energy, new project development becomes increasingly essential. However, launching a renewable energy project presents several challenges, such as securing financing, hedging against production shortfalls, obtaining contracts with counterparties, and finding reliable contractors. Despite these obstacles, contractors, tier-1 suppliers, and developers need adequate bond capacity to construct and operate renewable energy projects effectively.

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 \$50 million single and \$125 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 the contractor to manage the entire production spectrum and 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 contracts to allow the facility to plug into the grid
- ▶ The process must follow national codes and standards

Decommissioning Bonds

- ▶ Requested by land owners, municipalities, states and federal government
- ▶ Bond provides recourse to the government, taxpayers, and landowners should the principal 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 and then purchased at an agreed-upon price
- ▶ Protects the offloader in case the facility it is purchasing power from fails to deliver the contracted amount

CONTACT US



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