



D. E. Shaw Renewable Investments Announces the Acquisition and Debt Financing Closing of Arroyo Solar & Storage

New York, NY, September 20, 2021 – D. E. Shaw Renewable Investments (DESRI) announced today the closing of the acquisition of and debt financing for the Arroyo Solar and Storage (Arroyo) project. Arroyo is a 300 MWAC solar and 150 MWAC/600 MWh battery energy storage system facility that is being developed in McKinley County, New Mexico. The first phase of the project is expected to commence operations in June 2022, with full commercial operation anticipated for fall 2022. Arroyo is DESRI's first solar project with co-located battery storage to enter construction and financing, and once operational, will be one of the largest solar and battery projects in the U.S. DESRI acquired the project from the original developer, Centaurus Renewable Energy.

Arroyo has two offtake contracts with Public Service Company of New Mexico (PNM) for the solar and storage output respectively. The facility is expected to generate enough clean energy to power approximately 83,500 homes each year, according to metrics provided by the Environmental Protection Agency.

"DESRI is proud to partner with PNM to provide clean energy to their customers," said David Zwillinger, chief executive officer of DESRI. "Incorporating battery storage in solar projects has the potential to change the landscape of the renewable energy industry going forward, and we're excited to offer storage capabilities to PNM as part of the Arroyo project."

"As PNM continues our path to 100% carbon-free electricity, we eagerly await the first of the large scale batteries and associated solar to come on our system," said Tom Fallgren, vice president of PNM generation. "This project demonstrates New Mexico's leadership throughout the nation in reducing our carbon footprint."

Financing for the acquisition and construction of the project was led by Nord/LB and included four additional joint lead arrangers: MUFG Union Bank, N.A., Sumitomo Mitsui Banking Corporation (SMBC), National Bank of Canada (NBC), and Societe Generale.

"DESRI is thrilled to bring more clean energy to New Mexico," said Tom de Swardt, chief commercial officer of DESRI. "We especially appreciate the hard work and commitment of the five banks providing financing to the project in spite of continuing challenges from COVID-19."

"NORD/LB is very pleased to have supported DESRI and led the debt financing for Arroyo. The project is NORD/LB's first solar-plus-battery storage project financing in the U.S. and builds upon our track-record after 20 years of consistent lending to the North American power, renewable energy, and infrastructure market," said Andrew Vernon, senior director of Nord/LB. "The high quality features of the project, its counterparties, and the sponsorship of DESRI were key elements for NORD/LB as we expand into utility-scale battery storage."

Sundt Construction Inc. will construct the solar facility, which will use Nextracker trackers. ECI of Billings, MT is providing the design for the substation and switchyard that will be built by its subsidiary, EPC Services Company. Tesla will supply and commission Megapacks for the facility, and New Mexico-based Affordable Solar Installation, Inc. will construct the battery energy storage system (BESS). In addition, SOLV, Inc. and Tesla will provide ongoing operations and maintenance services to the facility once operational.

About D. E. Shaw Renewable Investments

D. E. Shaw Renewable Investments (DESRI) and its affiliates develop, acquire, own, and operate long-term contracted renewable energy assets in the U.S. DESRI's portfolio of operating and in-construction renewable energy projects currently includes over 50 solar and wind projects that represent over 6 GW of aggregate capacity. DESRI is a member of the D. E. Shaw group, a global investment and technology development firm with more than \$55 billion in investment and committed capital as of June 1, 2021, and offices in North America, Europe, and Asia.

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