



Solar Development in Ireland

Crowdfunding as an alternative source of finance

Rebecca Kelly



www.bnrg.ie

BNRG is an International Developer, with presence in Europe, the Caribbean Basin and Africa. The emerging Irish market is a key Home market focus for the Company.



A green line that starts at the top left, passes through the center of each circle, and ends at the bottom left.

BNRG Renewables is a Dublin-based renewable energy project development group founded by Neil Holman and David Maguire in 2007.

To date BNRG has developed & constructed utility scale solar projects in Greece, Bulgaria and the UK with a total value of over €175m.

The company is currently constructing a portfolio of 26 MW of projects in the UK and has a pipeline of 15MW in Northern Ireland.

BNRG has a pipeline of 150MW in the Republic of Ireland in anticipation of the introduction of government support mechanism in 2017. BNRG is a founding member of the Irish Solar energy Association

The company is active in a number of other territories including Jamaica, Kenya, Nigeria and Mauritius.

Definition of Crowdfunding

“... a collective effort of many individuals who network and pool their resources to support efforts initiated by other people or organizations. This is usually done via or with the help of the Internet. Individual projects and businesses are financed with small contributions from a large number of individuals...”

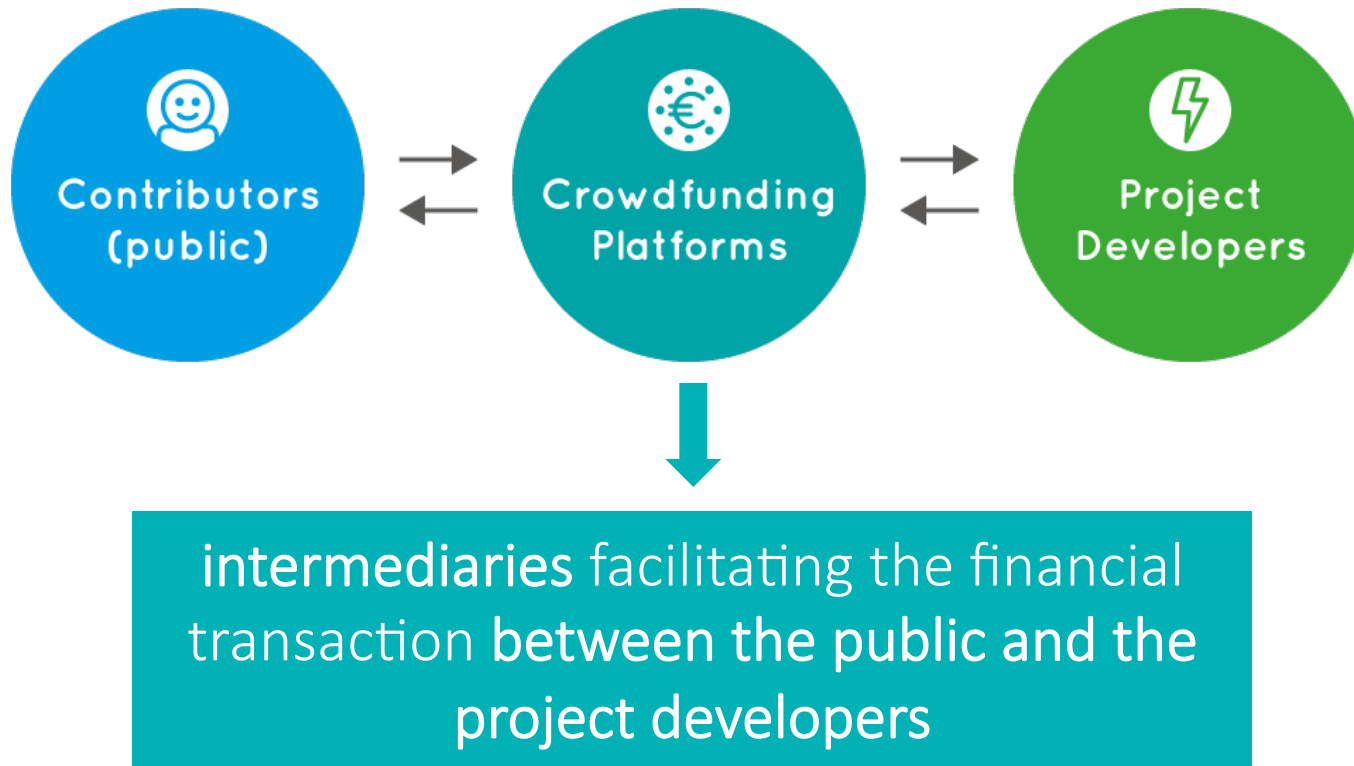
*Source: K. De Buysere, O. Gajda, R. Kleverlaan, D. Marom,
“A Framework for European Crowdfunding”*

Crowdfunding for Renewable Energy

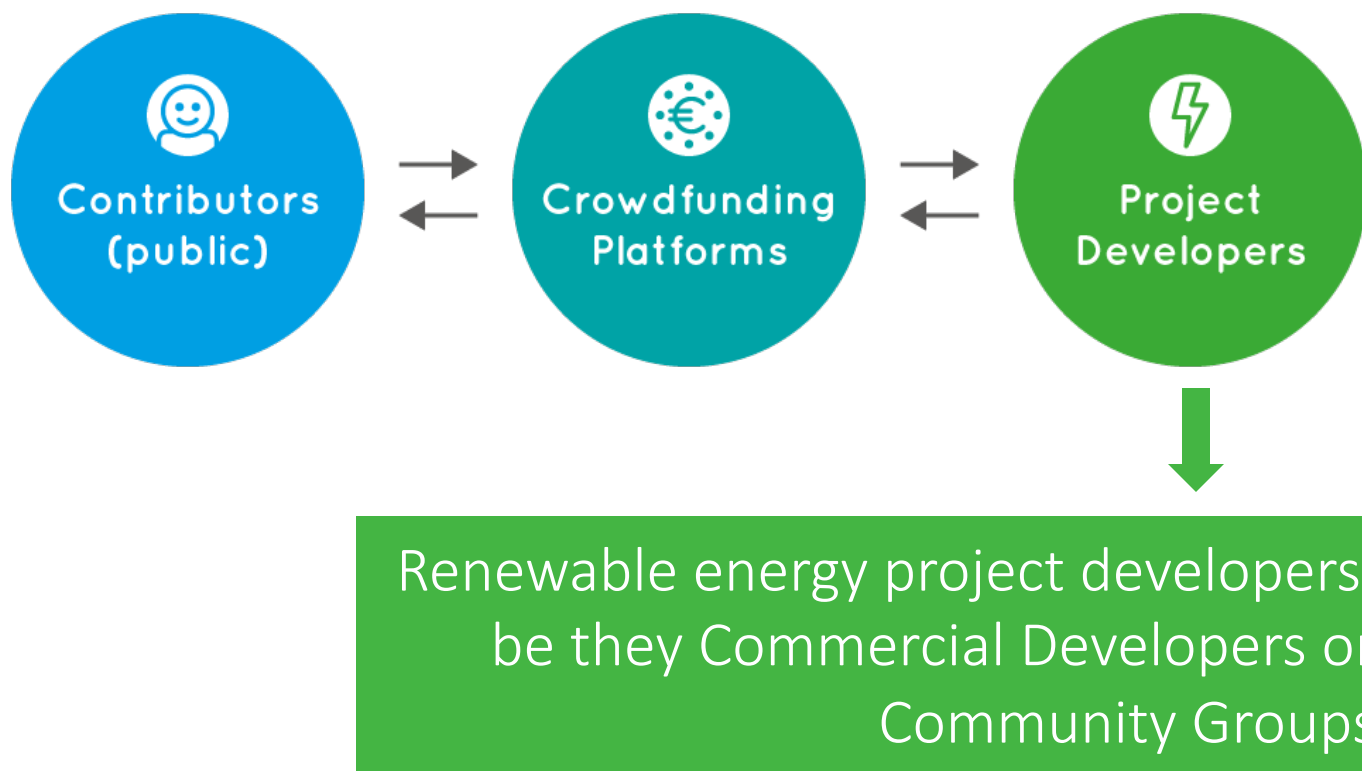


The part of the public, that has an interest in **investing** even very small amounts of their savings in renewable energy projects

Crowdfunding for Renewable Energy



Crowdfunding for Renewable Energy



Matching funding from the crowd to Solar PV projects

Traditional sources of funding require scale to ensure a viable solution, generally 20MW+

Transaction costs and time are key factors for developers when arranging finance

Construction finance from EPC partners also requires scale for similar reasons of due diligence cost and time scales. Security and guarantees also a factor

Crowdfunding is currently a clear match for smaller projects in developers portfolio

Across the EU and beyond there have been successful raises from the crowd for both the construction phase of development and refinancing at energisation

Benefits and Limitations

Key Benefits

- Route to retail market not otherwise accessible
- Enables direct engagement with the Community
- Process not overly burdensome on developer
- While percentage costs of transaction can be high, relative to other solutions costs are reasonable
- Mutually beneficial relationship fosters a strong partnership approach to each raise, deals very repeatable
- Debt model return can be flexible in structure to suit each project
- Generating more renewable energy evangelists in the community, asset very tangible, local.

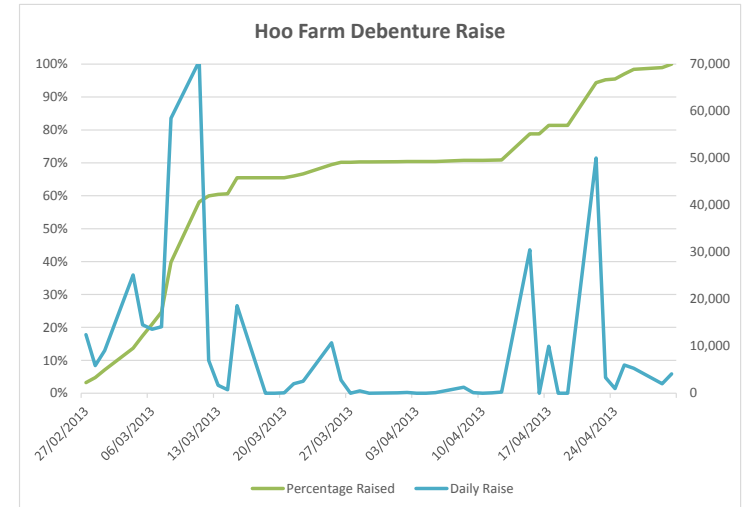
Limitations

- Can be more costly source of finance
- Pace of raise cannot be easily predicted due to smaller pool of potential investors. Mass adoption growth slow.
- Investors may not always have a high degree of understanding of projects' risk profiles, can be difficult to compete successfully with other technologies
- Typically investment has been post construction. Development and construction finance more difficult to attract, leading to expensive total package

BNRG has funded 3 projects successfully through Crowdfunding with AbundanceGeneration; €1,5m

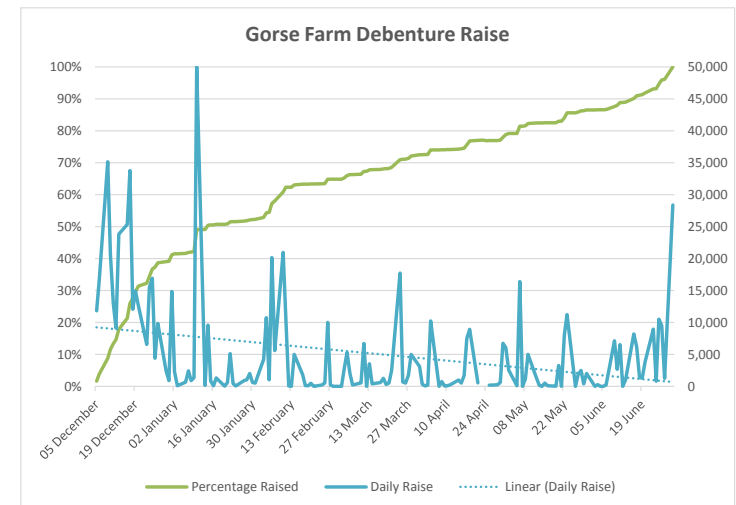
HOO FARM, Kent – 250kw Ground Mounted

- 290 investors bought debentures in Hoo Farm
- IRR 6.3%-7% variable
- 60% of the target £385k was raised in first 2 weeks
- The balance raised over the following 7 weeks
- Average investment £1,328



GORSE, Kent – 2 * 250kw Ground Mounted

- 569 investors bought debentures in Gorse IRR 7.35% inflation linked
- £730k raised over 7 months
- 30% of total raised in first 2 weeks
- While average investment slightly lower than Hoo Farm, £1,283 v £1,328, there was an increase in the upper end of single invested amounts with highest being £50,000 investment



'CrowdFundRES' EU Funded Horizon 2020 Project

Aim: Contribute to the acceleration of the **renewable energy growth** in Europe by **unleashing** the potential of **crowdfunding** for financing renewable energy projects.

Objectives:

- **Deepen understanding** of adoption of crowdfunding for financing renewable energy projects
- **Analyse the challenges** faced by the application of crowdfunding for renewable energy projects in Europe
- **Develop and apply guidelines** that support more effective practices
- **Help improve the market and regulatory framework** in Europe
- **Promote the crowdfunding concept** and its advantages among those who could contribute or raise funds

Partners





THANK YOU

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