Early Warning System

# IADB-ME-L1271

## Cubico Alten Solar PV Project

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### Quick Facts

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|---|---|
| **Countries** | Mexico |
| **Specific Location** | Aguascalientes |
| **Financial Institutions** | Inter-American Development Bank (IADB) |
| **Status** | Approved |
| **Bank Risk Rating** | U |
| **Voting Date** | 2017-07-18 |
| **Borrower** | Mexico |
| **Sectors** | Energy |
| **Investment Type(s)** | Loan |
| **Investment Amount (USD)** | $ 20.00 million |
| **Project Cost (USD)** | $ 368.00 million |

## Project Description

From the IDB: "The Cubico Alten Aguascalientes Solar PV Project ("the Project") consists of the design, construction, commissioning and operation of two solar photovoltaic ("PV") plants with a combined capacity of 290 MW that will connect to the Mexican Comisión Federal de Electricidad ("CFE") national grid. The plants will be built in El Llano municipality, Sate of Aguascalientes, Mexico. The project includes two adjacent solar power plants (150-MW Solem I and 140-MW Solem II), two electrical substations, and a 6.6 km 230 kV power transmission line connecting both substations to the CFE. All infrastructure will be built within a 963.7 ha area that will be purchased and leased by Cubico-Alten ("the Sponsor").

The Project's Engineering, Procurement and Construction ("EPC") and Operation and Maintenance ("O&M") Contractor will be Grupo Ortiz ("the Contractor").

The first of the two plants, Solem I, a 150MW PV plant will reach commercial operations date ("COD") as per the PPA offer on September 30, 2018. The second plant, Solem II, a 140 MW PV plant should reach PPA COD on June 29, 2019. The PPAs were signed with the CFE, a government-backed institution. The Project will contribute to the Government of Mexico's ("GOM") objectives of diversifying its electricity matrix, by delivering clean, PV solar energy and supporting the push to create a wholesale electricity market, while reducing the country's dependency on thermal energy, as Mexico's goal is for clean energy sources to provide 50% of the nation's electricity generation mix by 2050. When the Project is successfully completed, it will be the largest PV solar plant in Latin America and the Caribbean."

## Investment Description

- Inter-American Development Bank (IADB)

From the IDB: "The total project cost is approximately US$ 368,000,000. The financial plan is expected to include Inter-American Investment Corporation ("IIC") and Inter-American Development Bank ("IDB") A-loans for a joint amount up to US$110 million and a loan from the China Co-Financing Fund for Latin America and the Caribbean for up to US$50,000,000, with 20-year door to door tenors. The Project was awarded 20-year Power Purchase Agreements ("PPA") by the Mexican Federal Electricity Agency, Centro Nacional de Control de Energia ("CENACE") for the Clean Energy Certificates ("CELs") and 15-year PPA for energy and capacity."

| Private Actor 1 | Private Actor 1 Role | Private Actor 1 Sector | Relation | Private Actor 2 | Private Actor 2 Role | Private Actor 2 Sector |
|---|---|---|---|---|---|---|
| - | - | - | - | Grupo Ortiz | Contractor | - |

## Contact Information

ACCOUNTABILITY MECHANISM OF IADB

The Independent Consultation and Investigation Mechanism (MICI) is the independent complaint mechanism and fact-finding body for people who have been or are likely to be adversely affected by an Inter-American Development Bank (IDB) or Inter-American Investment Corporation (IIC)-funded project. If you submit a complaint to MICI, they may assist you in addressing the problems you raised through a dispute-resolution process with those implementing the project and/or through an investigation to assess whether the IDB or IIC is following its own policies for preventing or mitigating harm to people or the environment. You can submit a complaint by sending an email to MICI@iadb.org. You can learn more about the MICI and how to file a complaint at http://www.iadb.org/en/mici/mici,1752.html (in English) or http://www.iadb.org/es/mici/mici,1752.html (Spanish).

## Other Related Projects

- IIC-12083-01 Cubico Alten Aguascalientes Solar PV Project
- IFC-36041 Cubico Alten Aguascalientes Solar PV Project
- IADB-ME-L1272 Cubico Alten Solar PV Project