Early Warning System

MIGA-14323

KaXu Solar One

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Quick Facts

Countries	South Africa
Financial Institutions	Multilateral Investment Guarantee Agency (MIGA)
Status	Proposed
Bank Risk Rating	B
Voting Date	2019-04-26
Borrower	Atlantica Yield PLC
Sectors	Energy
Investment Type(s)	Guarantee
Investment Amount (USD)	$ 112.00 million

Project Description

Atlantica Yield PLC (Atlantica) is seeking MIGA guarantees for its equity and shareholder loan investments in the KaXu Solar One power plant ("the Project") in South Africa. The Project is a part of the first round of South Africa Renewable Energy Independent Power Producer Procurement program (REIPPP), a program designed to introduce renewables into the country's energy system through a bidding process.

The Project is an operational concentrated solar power (CSP) plant of 100 MW installed capacity, located 50 km north-east of Pofadder, in a desert location adjacent to the Orange River, in the Northern Cape Province, close to the border with Namibia. The plant involves a field of pivoting concave mirrors tracking the sun and concentrating the reflected sunlight onto a closed-circuit network of piping that contains synthetic oil as the heat transfer fluid. The heated oil cycles through a heat exchanger creating steam from water drawn from the Orange River, to drive a steam turbine. The electricity generated is transmitted through a high voltage substation for dispatch to the grid. The plant design also includes a molten salt thermal energy storage system that allows for extended electricity generation of up to 3 hours at full capacity for controlled dispatch during cloud cover or to meet evening electricity demand.

Plant infrastructure also includes an on-site substation, maintenance areas, offices and an access road. The power plant has a direct connection to the Eskom power grid, 5km away, via a 132kV overhead transmission line from the onsite sub-station.

The plants are located in a remote location and there are no residences or residential areas within the vicinity. The site lies adjacent another concentrated solar power project, the 100 MW Xina Power Plant.

The Project is operated by an affiliate of Abengoa S.A (the O&M Contractor).The Xina plant is also operated by Abengoa. Although the sites are completely separated and secured, there are some shared resources involving fire protection and emergency response.

IFC issued a loan to the Project in 2014.

Investment Description

- Multilateral Investment Guarantee Agency (MIGA)

Private Actors Description

Atlantica, based in the United Kingdom, owns and manages a portfolio of assets in the energy sector, including solar, wind, and hydro power projects, and transmission lines in Latin America and Africa.

Private Actor 1	Private Actor 1 Role	Private Actor 1 Sector	Relation	Private Actor 2	Private Actor 2 Role	Private Actor 2 Sector
-	-	-	-	Atlantica Yield PLC	Client	-

Contact Information

Contact information not provided at the time of disclosure

ACCOUNTABILITY MECHANISM OF MIGA

The Compliance Advisor Ombudsman (CAO) is the independent complaint mechanism and fact-finding body for people who believe they are likely to be, or have been, adversely affected by an IFC or MIGA- financed project. If you submit a complaint to the CAO, they may assist you in resolving a dispute with the company and/or investigate to assess whether the IFC is following its own policies and procedures for preventing harm to people or the environment. If you want to submit a complaint electronically, you can email the CAO at CAO@worldbankgroup.org. You can learn more about the CAO and how to file a complaint at http://www.cao-ombudsman.org/