

# Commitments in for Moray West and stake sale?

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Maya Chavvakula

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Moray West offshore wind farm in Scotland is progressing towards financial close having locked in commitments from a group of 18 lenders amid rumours of a stake sale, IJGlobal has learned.

The fixed foundation offshore wind farm has an estimated development cost – including OFTO – of £2.5 billion (\$3.1bn), £1.9 billion of which will be debt financed.

The club financing debt package is being arranged by:

- AIB
- Bank of China
- Bank of China Luxembourg
- BBVA
- BNP Paribas
- BNP Paribas Fortis
- CIBC
- CIC
- Commerzbank
- Credit Agricole
- KBC
- Lloyds
- MUFG Bank
- NatWest
- Siemens Bank
- Societe Generale
- Standard Chartered
- Sumitomo Mitsui Trust Bank (SMTB)

Ticket sizes range from £50 million to £250 million with most lenders understood to be coming in at £75 million.

The financing package has a tenor of 18 years is believed to be priced between 150bp and 160bp over reference rate. It is arranged across a term loan and a debt service reserve facility (DSRF).

Financial close on this project was previously expected in December (2022), [then was pushed into January](#) (2023) and now expected in February. Market rumours indicate that the process has slowed due to a possible stake sale.

However, another source close to the deal says there is “no particular reason” for the delay, and that it's down to

“dotting the Is and crossing Ts on the paperwork”.

Moray West is majority owned (95%) by Ocean Winds – a 50/50 JV between EDP Renewables (EDPR) and Engie – with a minority stake of 5% held by UAB Ignitis Renewables.

The project has been in development since 2016 and is located next to the operational [Moray East Offshore Wind Farm](#).

It secured developments permits in 2019 along with a [CfD for 294MW capacity](#) at a strike price of £37.35/MWh last year (2022). The developers have also locked in an offtaker for 350MW of the output.

The project will feature 60x 14.7MW [Siemens Gamesa turbines](#) along with:

- 2 offshore substation platforms – contract awarded to Siemens Energy / Lemants
- 2 offshore export cable circuits – contract awarded to Nexans
- onshore cable jointing bays and cabling for 2 underground circuits from landfall – Whitehillock
- onshore substation – Whitehillock
- onshore underground cabling between Whitehillock substation and Blackhillock substation – Nexans

Construction on the wind farm has already commenced and it is slated to be fully operational by 2024/25.

Advisers to sponsors:

- Credit Agricole – financial
- Norton Rose Fulbright – legal
- EY – tax and model audit

Advisers to lenders:

- Ashurst – legal

Engie and EDPR were approached to comment on rumours over the stake sale, but had not replied by time of publication.

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