What drives the value of a 100 MW solar farm?

Equity NPV over a 32-year life, 100% loan-funded. 1,728 combinations of tariff, WACC, capex, loan interest rate and loan term.

$146.1m
BASE CASE EQUITY NPV

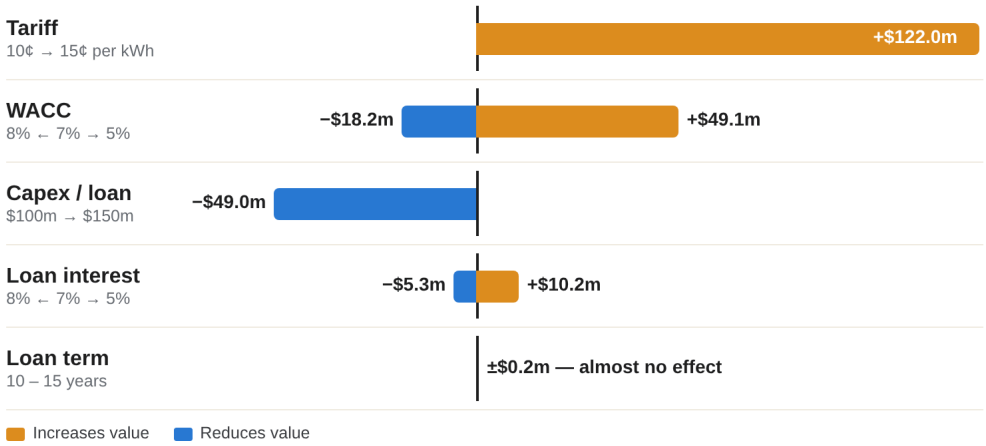
Range across all 1,728 scenarios (USD m)

Base $146m

$73.5m: WACC 8%, loan 8%, $150m, 10¢ — $359.2m: WACC 5%, loan 5%, $100m, 15¢

How much each factor moves the value on its own

Change in equity NPV from the base case (WACC 7%, loan 7%, $100m, 12.5-year loan, 10¢) when one factor moves across its full range.



Tariff × capex

Equity NPV, USD m. WACC 7%, loan 7% over 12.5 years. Base case outlined.

Capex	10¢	11¢	12¢	13¢	14¢	15¢
$100m	146	170	195	219	244	268
$110m	136	161	185	209	234	258
$120m	126	151	175	200	224	249
$130m	117†	141	165	190	214	239
$140m	107†	131†	156	180	204	229
$150m	97†	121†	146†	170	195	219

Tariff × WACC

Equity NPV, USD m. Capex $100m, loan 7% over 12.5 years.

WACC	10¢	11¢	12¢	13¢	14¢	15¢
5%	195	226	256	287	317	348
6%	168	195	223	250	277	304
7%	146	170	195	219	244	268
8%	128	150	172	194	216	238

† Debt cover 1.00–1.29, below the usual 1.30 lender minimum. ‡ Below 1.00: loan payments exceed the farm's cash.

Tariff is king

Each extra cent per kWh adds about $24m. Moving from 10¢ to 15¢ nearly doubles the value.

Cost of capital and capex come next

WACC (5–8%) and capex ($100–150m) each swing the value by about $50–70m.

Loan terms matter to lenders, not value

Loan rate moves value by $5–6m per 1%; term barely at all. But 75 of 432 loan cases fall below 1.30 cover, and 6 below 1.00 (10-year loans, $140–150m, 10–11¢).

Assumptions: 200 GWh a year · O&M 3.5% of revenue · fixed tariff, no indexation · monthly loan repayments · excludes degradation, tax and residual value. Indicative only.

RA-LP

100 MW solar farm: DCF valuation sensitivity

Net present value of the equity cash flows (operating cash flow less debt service) over a 32-year useful life, discounted at WACC. The farm is assumed to be fully funded by a fixed-rate CAPEX loan, so the equity contributes nothing up front. The analysis tests 1,728 combinations: WACC 5–8%, loan interest 5–8% a year, capex / loan USD 100–150m, loan terms of 10, 12.5 and 15 years, and tariffs of 10–15¢ (US cents) per kWh.

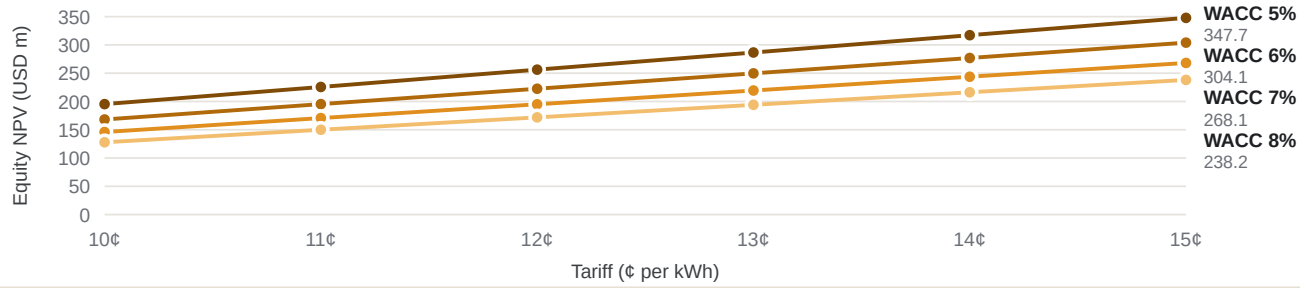
$146.1m	$73.5m	$359.2m	19.2%
BASE CASE EQUITY NPV	LOWEST NPV TESTED	HIGHEST NPV TESTED	BASE CASE PROJECT IRR

Capacity	**100 MW**	Generation	**200 GWh a year**
O&M	**3.5% of revenue**	Useful life	**32 years**
Loan interest	**5–8% fixed, monthly repayment**	Tariff	**Fixed, no indexation**
Base case	**WACC 7%, loan 7%, $100m, 12.5 yrs, 10¢**	Excluded	**Degradation, tax, residual value**

Tariff has the largest effect on value

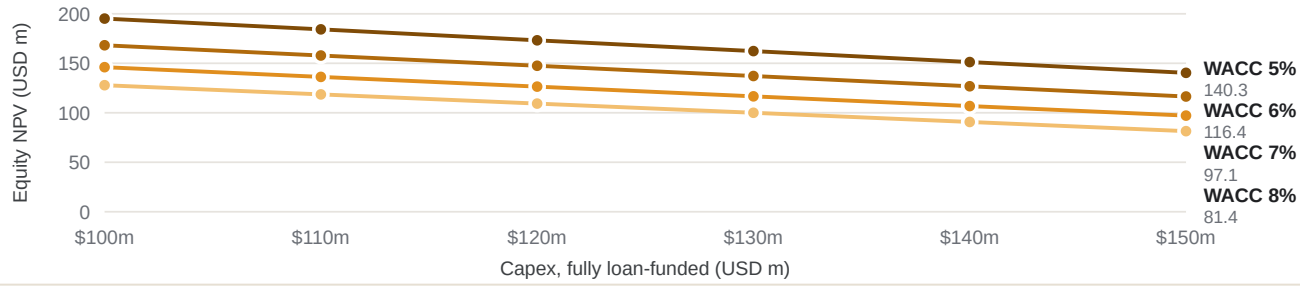
Equity NPV by tariff and WACC

Loan interest 7%, capex / loan USD 100m, 12.5-year loan term. USD millions.



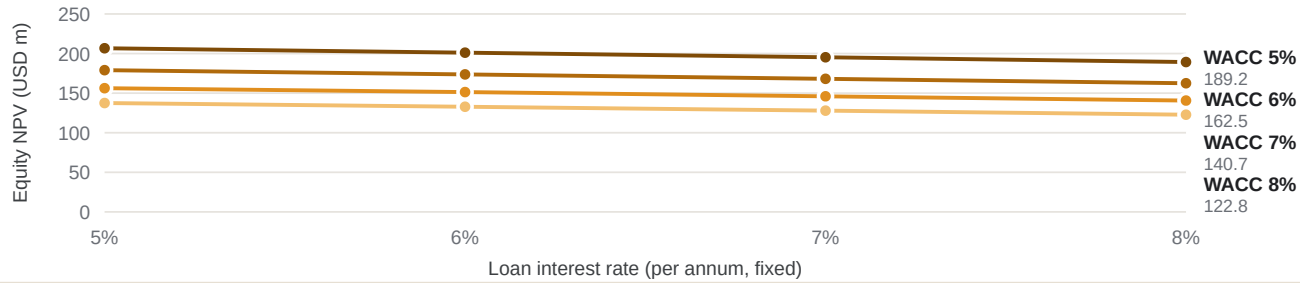
Equity NPV by capex and WACC

Loan interest 7%, tariff 10¢ per kWh, 12.5-year loan term. Each additional USD 10m of capex reduces NPV by about USD 9.3–11.0m, depending on WACC. USD millions.



Equity NPV by loan interest rate and WACC

Capex / loan USD 100m, 12.5-year loan term, tariff 10¢ per kWh. Each 1% on the loan rate changes NPV by about USD 5–6m. USD millions.



Equity NPV: loan at 5% a year, 10-year loan term (USD millions)

Rows: capex, fully loan-funded. Columns: tariff in US cents per kWh.

Lower NPV — Higher NPV (scale 73.5 to 359.2)

† DSCR 1.00–1.29, below a typical 1.30 lender minimum. ‡ DSCR below 1.00: debt service exceeds operating cash flow.

WACC 5%

Capex / loan	10¢	11¢	12¢	13¢	14¢	15¢
$100m	206.7	237.2	267.7	298.2	328.7	359.2
$110m	196.9	227.4	257.9	288.4	318.9	349.4
$120m	187.1†	217.6	248.1	278.6	309.1	339.6
$130m	177.2†	207.7†	238.2	268.7	299.2	329.7
$140m	167.4†	197.9†	228.4†	258.9	289.4	319.9
$150m	157.6†	188.1†	218.6†	249.1	279.6	310.1

WACC 6%

Capex / loan	10¢	11¢	12¢	13¢	14¢	15¢
$100m	178.1	205.3	232.5	259.7	286.9	314.1
$110m	168.8	196.0	223.1	250.3	277.5	304.7
$120m	159.4†	186.6	213.8	241.0	268.1	295.3
$130m	150.0†	177.2†	204.4	231.6	258.8	286.0
$140m	140.7†	167.9†	195.0†	222.2	249.4	276.6
$150m	131.3†	158.5†	185.7†	212.9	240.0	267.2

WACC 7%

Capex / loan	10¢	11¢	12¢	13¢	14¢	15¢
$100m	154.7	179.1	203.5	227.9	252.3	276.7
$110m	145.7	170.2	194.6	219.0	243.4	267.8
$120m	136.8†	161.2	185.6	210.0	234.4	258.8
$130m	127.9†	152.3†	176.7	201.1	225.5	249.9
$140m	118.9†	143.3†	167.7†	192.1	216.6	241.0
$150m	110.0†	134.4†	158.8†	183.2	207.6	232.0

WACC 8%

Capex / loan	10¢	11¢	12¢	13¢	14¢	15¢
$100m	135.3	157.4	179.4	201.5	223.6	245.6
$110m	126.8	148.8	170.9	193.0	215.0	237.1
$120m	118.2†	140.3	162.3	184.4	206.5	228.6
$130m	109.7†	131.7†	153.8	175.9	197.9	220.0
$140m	101.1†	123.2†	145.3†	167.3	189.4	211.5
$150m	92.6†	114.7†	136.7†	158.8	180.9	202.9

Equity NPV: loan at 5% a year, 12.5-year loan term (USD millions)

Rows: capex, fully loan-funded. Columns: tariff in US cents per kWh.

Lower NPV Higher NPV (scale 73.5 to 359.2)

† DSCR 1.00–1.29, below a typical 1.30 lender minimum. ‡ DSCR below 1.00: debt service exceeds operating cash flow.

WACC 5%

Capex / loan	10¢	11¢	12¢	13¢	14¢	15¢
$100m	206.6	237.1	267.6	298.1	328.6	359.1
$110m	196.8	227.3	257.8	288.3	318.8	349.3
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$140m	167.3†	197.8	228.3	258.8	289.3	319.8
$150m	157.5†	188.0	218.5	249.0	279.5	310.0

WACC 6%

Capex / loan	10¢	11¢	12¢	13¢	14¢	15¢
$100m	179.0	206.1	233.3	260.5	287.7	314.9
$110m	169.7	196.9	224.0	251.2	278.4	305.6
$120m	160.4	187.6	214.8	241.9	269.1	296.3
$130m	151.1	178.3	205.5	232.6	259.8	287.0
$140m	141.8†	169.0	196.2	223.4	250.5	277.7
$150m	132.5†	159.7	186.9	214.1	241.3	268.4

WACC 7%

Capex / loan	10¢	11¢	12¢	13¢	14¢	15¢
$100m	156.3	180.7	205.1	229.5	253.9	278.3
$110m	147.5	171.9	196.3	220.7	245.1	269.5
$120m	138.7	163.1	187.5	211.9	236.3	260.7
$130m	129.9	154.3	178.7	203.1	227.5	252.0
$140m	121.1†	145.5	170.0	194.4	218.8	243.2
$150m	112.4†	136.8	161.2	185.6	210.0	234.4

WACC 8%

Capex / loan	10¢	11¢	12¢	13¢	14¢	15¢
$100m	137.5	159.6	181.7	203.7	225.8	247.9
$110m	129.2	151.3	173.3	195.4	217.5	239.5
$120m	120.9	142.9	165.0	187.1	209.2	231.2
$130m	112.6	134.6	156.7	178.8	200.8	222.9
$140m	104.2†	126.3	148.4	170.5	192.5	214.6
$150m	95.9†	118.0	140.1	162.1	184.2	206.3

Equity NPV: loan at 5% a year, 15-year loan term (USD millions)

Rows: capex, fully loan-funded. Columns: tariff in US cents per kWh.

Lower NPV — Higher NPV (scale 73.5 to 359.2)

† DSCR 1.00–1.29, below a typical 1.30 lender minimum. ‡ DSCR below 1.00: debt service exceeds operating cash flow.

WACC 5%

Capex / loan	10¢	11¢	12¢	13¢	14¢	15¢
$100m	206.5	237.0	267.5	298.0	328.5	359.0
$110m	196.6	227.1	257.6	288.1	318.6	349.1
$120m	186.8	217.3	247.8	278.3	308.8	339.3
$130m	176.9	207.4	237.9	268.4	298.9	329.4
$140m	167.1	197.6	228.1	258.6	289.1	319.6
$150m	157.2	187.7	218.2	248.7	279.2	309.7

WACC 6%

Capex / loan	10¢	11¢	12¢	13¢	14¢	15¢
$100m	179.7	206.8	234.0	261.2	288.4	315.6
$110m	170.4	197.6	224.8	252.0	279.2	306.4
$120m	161.2	188.4	215.6	242.8	270.0	297.1
$130m	152.0	179.2	206.4	233.6	260.7	287.9
$140m	142.8	170.0	197.2	224.3	251.5	278.7
$150m	133.6	160.8	187.9	215.1	242.3	269.5

WACC 7%

Capex / loan	10¢	11¢	12¢	13¢	14¢	15¢
$100m	157.6	182.1	206.5	230.9	255.3	279.7
$110m	149.0	173.4	197.8	222.2	246.6	271.0
$120m	140.4	164.8	189.2	213.6	238.0	262.4
$130m	131.7	156.1	180.5	204.9	229.4	253.8
$140m	123.1	147.5	171.9	196.3	220.7	245.1
$150m	114.4	138.8	163.2	187.7	212.1	236.5

WACC 8%

Capex / loan	10¢	11¢	12¢	13¢	14¢	15¢
$100m	139.5	161.5	183.6	205.7	227.7	249.8
$110m	131.3	153.4	175.5	197.6	219.6	241.7
$120m	123.2	145.3	167.4	189.4	211.5	233.6
$130m	115.1	137.2	159.2	181.3	203.4	225.5
$140m	107.0	129.0	151.1	173.2	195.3	217.3
$150m	98.9	120.9	143.0	165.1	187.1	209.2

Equity NPV: loan at 6% a year, 10-year loan term (USD millions)

Rows: capex, fully loan-funded. Columns: tariff in US cents per kWh.

Lower NPV  Higher NPV (scale 73.5 to 359.2)

† DSCR 1.00–1.29, below a typical 1.30 lender minimum. ‡ DSCR below 1.00: debt service exceeds operating cash flow.

WACC 5%

Capex / loan	10¢	11¢	12¢	13¢	14¢	15¢
$100m	202.1	232.6	263.1	293.6	324.1	354.6
$110m	191.8	222.3	252.8	283.3	313.8	344.3
$120m	181.5†	212.0	242.5	273.0	303.5	334.0
$130m	171.3†	201.8†	232.3	262.8	293.3	323.8
$140m	161.0†	191.5†	222.0†	252.5	283.0	313.5
$150m	150.7‡	181.2†	211.7†	242.2†	272.7	303.2

WACC 6%

Capex / loan	10¢	11¢	12¢	13¢	14¢	15¢
$100m	173.8	200.9	228.1	255.3	282.5	309.7
$110m	164.0	191.1	218.3	245.5	272.7	299.9
$120m	154.2†	181.3	208.5	235.7	262.9	290.1
$130m	144.4†	171.5†	198.7	225.9	253.1	280.3
$140m	134.5†	161.7†	188.9†	216.1	243.3	270.5
$150m	124.7‡	151.9†	179.1†	206.3†	233.5	260.7

WACC 7%

Capex / loan	10¢	11¢	12¢	13¢	14¢	15¢
$100m	150.5	174.9	199.3	223.7	248.1	272.5
$110m	141.1	165.6	190.0	214.4	238.8	263.2
$120m	131.8†	156.2	180.6	205.0	229.4	253.8
$130m	122.4†	146.8†	171.3	195.7	220.1	244.5
$140m	113.1†	137.5†	161.9†	186.3	210.7	235.1
$150m	103.7‡	128.1†	152.5†	176.9†	201.4	225.8

WACC 8%

Capex / loan	10¢	11¢	12¢	13¢	14¢	15¢
$100m	131.3	153.4	175.4	197.5	219.6	241.6
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$120m	113.4†	135.5	157.6	179.6	201.7	223.8
$130m	104.5†	126.6†	148.6	170.7	192.8	214.8
$140m	95.5†	117.6†	139.7†	161.8	183.8	205.9
$150m	86.6‡	108.7†	130.7†	152.8†	174.9	197.0

Equity NPV: loan at 6% a year, 12.5-year loan term (USD millions)

Rows: capex, fully loan-funded. Columns: tariff in US cents per kWh.

Lower NPV  Higher NPV (scale 73.5 to 359.2)

† DSCR 1.00–1.29, below a typical 1.30 lender minimum. ‡ DSCR below 1.00: debt service exceeds operating cash flow.

WACC 5%

Capex / loan	10¢	11¢	12¢	13¢	14¢	15¢
$100m	201.0	231.5	262.0	292.5	323.0	353.5
$110m	190.6	221.1	251.6	282.1	312.6	343.1
$120m	180.2	210.7	241.2	271.7	302.2	332.7
$130m	169.8	200.3	230.8	261.3	291.8	322.3
$140m	159.4†	189.9	220.4	250.9	281.4	311.9
$150m	149.0†	179.5†	210.0	240.5	271.0	301.5

WACC 6%

Capex / loan	10¢	11¢	12¢	13¢	14¢	15¢
$100m	173.7	200.8	228.0	255.2	282.4	309.6
$110m	163.8	191.0	218.2	245.4	272.6	299.7
$120m	154.0	181.2	208.4	235.6	262.8	289.9
$130m	144.2	171.4	198.6	225.8	252.9	280.1
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WACC 7%

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$130m	106.4	128.5	150.5	172.6	194.7	216.7
$140m	97.6†	119.7	141.7	163.8	185.9	207.9
$150m	88.8†	110.9†	132.9	155.0	177.1	199.1

Equity NPV: loan at 6% a year, 15-year loan term (USD millions)

Rows: capex, fully loan-funded. Columns: tariff in US cents per kWh.

Lower NPV — Higher NPV (scale 73.5 to 359.2)

† DSCR 1.00–1.29, below a typical 1.30 lender minimum. ‡ DSCR below 1.00: debt service exceeds operating cash flow.

WACC 5%

Capex / loan	10¢	11¢	12¢	13¢	14¢	15¢
$100m	199.9	230.4	260.9	291.4	321.9	352.4
$110m	189.4	219.9	250.4	280.9	311.4	341.9
$120m	178.9	209.4	239.9	270.4	300.9	331.4
$130m	168.4	198.9	229.4	259.8	290.3	320.8
$140m	157.8	188.3	218.8	249.3	279.8	310.3
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$130m	108.0	130.1	152.2	174.2	196.3	218.4
$140m	99.3	121.4	143.5	165.6	187.6	209.7
$150m	90.7†	112.8	134.8	156.9	179.0	201.0

Equity NPV: loan at 7% a year, 10-year loan term (USD millions)

Rows: capex, fully loan-funded. Columns: tariff in US cents per kWh.

Lower NPV — Higher NPV (scale 73.5 to 359.2)

† DSCR 1.00–1.29, below a typical 1.30 lender minimum. ‡ DSCR below 1.00: debt service exceeds operating cash flow.

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$150m	97.3‡	121.7†	146.1†	170.5†	194.9†	219.3

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Capex / loan	10¢	11¢	12¢	13¢	14¢	15¢
$100m	127.2	149.3	171.3	193.4	215.5	237.6
$110m	117.9†	139.9	162.0	184.1	206.1	228.2
$120m	108.5†	130.6†	152.6	174.7	196.8	218.9
$130m	99.2†	121.2†	143.3†	165.4	187.4	209.5
$140m	89.8‡	111.9†	133.9†	156.0†	178.1	200.2
$150m	80.5‡	102.5†	124.6†	146.7†	168.7†	190.8

Equity NPV: loan at 7% a year, 12.5-year loan term (USD millions)

Rows: capex, fully loan-funded. Columns: tariff in US cents per kWh. The base case is outlined.

Lower NPV — Higher NPV (scale 73.5 to 359.2)

† DSCR 1.00–1.29, below a typical 1.30 lender minimum. ‡ DSCR below 1.00: debt service exceeds operating cash flow.

WACC 5%

Capex / loan	10¢	11¢	12¢	13¢	14¢	15¢
$100m	195.2	225.7	256.2	286.7	317.2	347.7
$110m	184.2	214.7	245.2	275.7	306.2	336.7
$120m	173.3	203.8	234.3	264.8	295.3	325.8
$130m	162.3†	192.8	223.3	253.8	284.3	314.8
$140m	151.3†	181.8†	212.3	242.8	273.3	303.8
$150m	140.3†	170.8†	201.3†	231.8	262.3	292.8

WACC 6%

Capex / loan	10¢	11¢	12¢	13¢	14¢	15¢
$100m	168.2	195.4	222.5	249.7	276.9	304.1
$110m	157.8	185.0	212.2	239.4	266.5	293.7
$120m	147.5	174.6	201.8	229.0	256.2	283.4
$130m	137.1†	164.3	191.5	218.6	245.8	273.0
$140m	126.7†	153.9†	181.1	208.3	235.5	262.6
$150m	116.4†	143.5†	170.7†	197.9	225.1	252.3

WACC 7%

Capex / loan	10¢	11¢	12¢	13¢	14¢	15¢
$100m	**146.1**	170.5	194.9	219.3	243.7	268.1
$110m	136.3	160.7	185.1	209.5	233.9	258.3
$120m	126.5	150.9	175.3	199.7	224.1	248.5
$130m	116.7†	141.1	165.5	189.9	214.3	238.7
$140m	106.9†	131.3†	155.7	180.1	204.5	228.9
$150m	97.1†	121.5†	145.9†	170.3	194.7	219.1

WACC 8%

Capex / loan	10¢	11¢	12¢	13¢	14¢	15¢
$100m	127.9	149.9	172.0	194.1	216.1	238.2
$110m	118.6	140.6	162.7	184.8	206.9	228.9
$120m	109.3	131.4	153.4	175.5	197.6	219.6
$130m	100.0†	122.1	144.1	166.2	188.3	210.4
$140m	90.7†	112.8†	134.9	156.9	179.0	201.1
$150m	81.4†	103.5†	125.6†	147.6	169.7	191.8

Equity NPV: loan at 7% a year, 15-year loan term (USD millions)

Rows: capex, fully loan-funded. Columns: tariff in US cents per kWh.

Lower NPV  Higher NPV (scale 73.5 to 359.2)

† DSCR 1.00–1.29, below a typical 1.30 lender minimum. ‡ DSCR below 1.00: debt service exceeds operating cash flow.

WACC 5%

Capex / loan	10¢	11¢	12¢	13¢	14¢	15¢
$100m	193.0	223.5	254.0	284.5	315.0	345.5
$110m	181.8	212.3	242.8	273.3	303.8	334.3
$120m	170.6	201.1	231.6	262.1	292.6	323.1
$130m	159.5	190.0	220.4	250.9	281.4	311.9
$140m	148.3†	178.8	209.3	239.8	270.3	300.8
$150m	137.1†	167.6	198.1	228.6	259.1	289.6

WACC 6%

Capex / loan	10¢	11¢	12¢	13¢	14¢	15¢
$100m	167.1	194.2	221.4	248.6	275.8	303.0
$110m	156.6	183.8	211.0	238.1	265.3	292.5
$120m	146.1	173.3	200.5	227.7	254.8	282.0
$130m	135.6	162.8	190.0	217.2	244.4	271.6
$140m	125.2†	152.3	179.5	206.7	233.9	261.1
$150m	114.7†	141.9	169.1	196.2	223.4	250.6

WACC 7%

Capex / loan	10¢	11¢	12¢	13¢	14¢	15¢
$100m	145.8	170.2	194.7	219.1	243.5	267.9
$110m	136.0	160.4	184.8	209.2	233.6	258.1
$120m	126.2	150.6	175.0	199.4	223.8	248.2
$130m	116.4	140.8	165.2	189.6	214.0	238.4
$140m	106.5†	131.0	155.4	179.8	204.2	228.6
$150m	96.7†	121.1	145.5	169.9	194.4	218.8

WACC 8%

Capex / loan	10¢	11¢	12¢	13¢	14¢	15¢
$100m	128.4	150.4	172.5	194.6	216.7	238.7
$110m	119.1	141.2	163.3	185.3	207.4	229.5
$120m	109.9	132.0	154.0	176.1	198.2	220.3
$130m	100.7	122.7	144.8	166.9	189.0	211.0
$140m	91.4†	113.5	135.6	157.7	179.7	201.8
$150m	82.2†	104.3	126.4	148.4	170.5	192.6

Equity NPV: loan at 8% a year, 10-year loan term (USD millions)

Rows: capex, fully loan-funded. Columns: tariff in US cents per kWh.

Lower NPV — Higher NPV (scale 73.5 to 359.2)

† DSCR 1.00–1.29, below a typical 1.30 lender minimum. ‡ DSCR below 1.00: debt service exceeds operating cash flow.

WACC 5%

Capex / loan	10¢	11¢	12¢	13¢	14¢	15¢
$100m	192.6	223.1	253.6	284.1	314.6	345.1
$110m	181.3†	211.8	242.3	272.8	303.3	333.8
$120m	170.1†	200.6†	231.1	261.6	292.1	322.6
$130m	158.8†	189.3†	219.8†	250.3	280.8	311.3
$140m	147.6‡	178.1†	208.6†	239.1†	269.6	300.1
$150m	136.4‡	166.9‡	197.4†	227.9†	258.4†	288.9

WACC 6%

Capex / loan	10¢	11¢	12¢	13¢	14¢	15¢
$100m	164.7	191.8	219.0	246.2	273.4	300.6
$110m	153.9†	181.1	208.3	235.5	262.7	289.9
$120m	143.2†	170.4†	197.6	224.8	252.0	279.1
$130m	132.5†	159.7†	186.9†	214.1	241.2	268.4
$140m	121.8‡	149.0†	176.2†	203.3†	230.5	257.7
$150m	111.1‡	138.3‡	165.4†	192.6†	219.8†	247.0

WACC 7%

Capex / loan	10¢	11¢	12¢	13¢	14¢	15¢
$100m	141.8	166.2	190.6	215.0	239.5	263.9
$110m	131.6†	156.0	180.4	204.8	229.2	253.6
$120m	121.4†	145.8†	170.2	194.6	219.0	243.4
$130m	111.1†	135.6†	160.0†	184.4	208.8	233.2
$140m	100.9‡	125.3†	149.7†	174.1†	198.5	223.0
$150m	90.7‡	115.1‡	139.5†	163.9†	188.3†	212.7

WACC 8%

Capex / loan	10¢	11¢	12¢	13¢	14¢	15¢
$100m	123.0	145.1	167.1	189.2	211.3	233.3
$110m	113.2†	135.3	157.4	179.4	201.5	223.6
$120m	103.5†	125.5†	147.6	169.7	191.7	213.8
$130m	93.7†	115.8†	137.8†	159.9	182.0	204.0
$140m	83.9‡	106.0†	128.1†	150.1†	172.2	194.3
$150m	74.2‡	96.2‡	118.3†	140.4†	162.4†	184.5

Equity NPV: loan at 8% a year, 12.5-year loan term (USD millions)

Rows: capex, fully loan-funded. Columns: tariff in US cents per kWh.

Lower NPV  Higher NPV (scale 73.5 to 359.2)

† DSCR 1.00–1.29, below a typical 1.30 lender minimum. ‡ DSCR below 1.00: debt service exceeds operating cash flow.

WACC 5%

Capex / loan	10¢	11¢	12¢	13¢	14¢	15¢
$100m	189.2	219.7	250.2	280.7	311.2	341.7
$110m	177.7	208.2	238.7	269.2	299.7	330.2
$120m	166.1†	196.6	227.1	257.6	288.1	318.6
$130m	154.5†	185.0†	215.5	246.0	276.5	307.0
$140m	142.9†	173.4†	203.9	234.4	264.9	295.4
$150m	131.4†	161.9†	192.4†	222.9	253.4	283.9

WACC 6%

Capex / loan	10¢	11¢	12¢	13¢	14¢	15¢
$100m	162.5	189.7	216.9	244.1	271.3	298.5
$110m	151.6	178.8	206.0	233.2	260.3	287.5
$120m	140.7†	167.9	195.0	222.2	249.4	276.6
$130m	129.8†	156.9†	184.1	211.3	238.5	265.7
$140m	118.8†	146.0†	173.2	200.4	227.6	254.7
$150m	107.9†	135.1†	162.3†	189.4	216.6	243.8

WACC 7%

Capex / loan	10¢	11¢	12¢	13¢	14¢	15¢
$100m	140.7	165.1	189.5	214.0	238.4	262.8
$110m	130.4	154.8	179.2	203.6	228.0	252.4
$120m	120.1†	144.5	168.9	193.3	217.7	242.1
$130m	109.7†	134.1†	158.5	183.0	207.4	231.8
$140m	99.4†	123.8†	148.2	172.6	197.0	221.4
$150m	89.1†	113.5†	137.9†	162.3	186.7	211.1

WACC 8%

Capex / loan	10¢	11¢	12¢	13¢	14¢	15¢
$100m	122.8	144.9	166.9	189.0	211.1	233.2
$110m	113.0	135.1	157.2	179.2	201.3	223.4
$120m	103.2†	125.3	147.4	169.4	191.5	213.6
$130m	93.4†	115.5†	137.6	159.6	181.7	203.8
$140m	83.6†	105.7†	127.8	149.9	171.9	194.0
$150m	73.9†	95.9†	118.0†	140.1	162.1	184.2

Equity NPV: loan at 8% a year, 15-year loan term (USD millions)

Rows: capex, fully loan-funded. Columns: tariff in US cents per kWh.

Lower NPV — Higher NPV (scale 73.5 to 359.2)

† DSCR 1.00–1.29, below a typical 1.30 lender minimum. ‡ DSCR below 1.00: debt service exceeds operating cash flow.

WACC 5%

Capex / loan	10¢	11¢	12¢	13¢	14¢	15¢
$100m	186.0	216.5	247.0	277.5	308.0	338.5
$110m	174.1	204.6	235.1	265.6	296.1	326.6
$120m	162.2	192.7	223.2	253.7	284.1	314.6
$130m	150.2†	180.7	211.2	241.7	272.2	302.7
$140m	138.3†	168.8	199.3	229.8	260.3	290.8
$150m	126.4†	156.9†	187.4	217.9	248.4	278.9

WACC 6%

Capex / loan	10¢	11¢	12¢	13¢	14¢	15¢
$100m	160.4	187.6	214.8	242.0	269.2	296.4
$110m	149.3	176.5	203.7	230.9	258.0	285.2
$120m	138.2	165.4	192.5	219.7	246.9	274.1
$130m	127.0†	154.2	181.4	208.6	235.8	262.9
$140m	115.9†	143.1	170.3	197.4	224.6	251.8
$150m	104.8†	131.9†	159.1	186.3	213.5	240.7

WACC 7%

Capex / loan	10¢	11¢	12¢	13¢	14¢	15¢
$100m	139.6	164.0	188.4	212.9	237.3	261.7
$110m	129.2	153.6	178.0	202.4	226.8	251.2
$120m	118.7	143.1	167.6	192.0	216.4	240.8
$130m	108.3†	132.7	157.1	181.5	205.9	230.3
$140m	97.9†	122.3	146.7	171.1	195.5	219.9
$150m	87.4†	111.8†	136.2	160.6	185.0	209.4

WACC 8%

Capex / loan	10¢	11¢	12¢	13¢	14¢	15¢
$100m	122.5	144.6	166.7	188.7	210.8	232.9
$110m	112.7	134.8	156.9	178.9	201.0	223.1
$120m	102.9	125.0	147.0	169.1	191.2	213.3
$130m	93.1†	115.2	137.2	159.3	181.4	203.4
$140m	83.3†	105.3	127.4	149.5	171.6	193.6
$150m	73.5†	95.5†	117.6	139.7	161.7	183.8

Debt service cover ratio (DSCR)

Annual operating cash flow divided by annual debt service during the loan term. DSCR does not depend on WACC. Lenders typically require at least 1.30. Bold orange marks 1.00–1.29; dark cells are below 1.00, where the equity must fund a shortfall each year.

Loan interest 5% a year

Capex / loan	Term	10¢	11¢	12¢	13¢	14¢	15¢
$100m	10 yrs	1.52×	1.67×	1.82×	1.97×	2.12×	2.27×
	12.5 yrs	1.79×	1.97×	2.15×	2.33×	2.51×	2.69×
	15 yrs	2.03×	2.24×	2.44×	2.64×	2.85×	3.05×
$110m	10 yrs	1.38×	1.52×	1.65×	1.79×	1.93×	2.07×
	12.5 yrs	1.63×	1.79×	1.95×	2.12×	2.28×	2.44×
	15 yrs	1.85×	2.03×	2.22×	2.40×	2.59×	2.77×
$120m	10 yrs	**1.26×**	1.39×	1.52×	1.64×	1.77×	1.90×
	12.5 yrs	1.49×	1.64×	1.79×	1.94×	2.09×	2.24×
	15 yrs	1.69×	1.86×	2.03×	2.20×	2.37×	2.54×
$130m	10 yrs	**1.17×**	**1.28×**	1.40×	1.52×	1.63×	1.75×
	12.5 yrs	1.38×	1.52×	1.65×	1.79×	1.93×	2.07×
	15 yrs	1.56×	1.72×	1.88×	2.03×	2.19×	2.35×
$140m	10 yrs	**1.08×**	**1.19×**	**1.30×**	1.41×	1.52×	1.62×
	12.5 yrs	**1.28×**	1.41×	1.54×	1.66×	1.79×	1.92×
	15 yrs	1.45×	1.60×	1.74×	1.89×	2.03×	2.18×
$150m	10 yrs	**1.01×**	**1.11×**	**1.21×**	1.31×	1.42×	1.52×
	12.5 yrs	**1.19×**	1.31×	1.43×	1.55×	1.67×	1.79×
	15 yrs	1.36×	1.49×	1.63×	1.76×	1.90×	2.03×

Loan interest 6% a year

Capex / loan	Term	10¢	11¢	12¢	13¢	14¢	15¢
$100m	10 yrs	1.45×	1.59×	1.74×	1.88×	2.03×	2.17×
	12.5 yrs	1.69×	1.86×	2.03×	2.20×	2.37×	2.54×
	15 yrs	1.91×	2.10×	2.29×	2.48×	2.67×	2.86×
$110m	10 yrs	1.32×	1.45×	1.58×	1.71×	1.84×	1.98×
	12.5 yrs	1.54×	1.69×	1.85×	2.00×	2.16×	2.31×
	15 yrs	1.73×	1.91×	2.08×	2.25×	2.43×	2.60×
$120m	10 yrs	**1.21×**	1.33×	1.45×	1.57×	1.69×	1.81×
	12.5 yrs	1.41×	1.55×	1.69×	1.84×	1.98×	2.12×
	15 yrs	1.59×	1.75×	1.91×	2.06×	2.22×	2.38×
$130m	10 yrs	**1.11×**	**1.23×**	1.34×	1.45×	1.56×	1.67×
	12.5 yrs	1.30×	1.43×	1.56×	1.69×	1.82×	1.96×
	15 yrs	1.47×	1.61×	1.76×	1.91×	2.05×	2.20×
$140m	10 yrs	**1.03×**	**1.14×**	**1.24×**	1.35×	1.45×	1.55×
	12.5 yrs	**1.21×**	1.33×	1.45×	1.57×	1.69×	1.82×
	15 yrs	1.36×	1.50×	1.63×	1.77×	1.91×	2.04×
$150m	10 yrs	**0.97×**	**1.06×**	**1.16×**	**1.26×**	1.35×	1.45×
	12.5 yrs	**1.13×**	**1.24×**	1.36×	1.47×	1.58×	1.69×
	15 yrs	**1.27×**	1.40×	1.52×	1.65×	1.78×	1.91×

Debt service cover ratio (DSCR)

Annual operating cash flow divided by annual debt service during the loan term. DSCR does not depend on WACC. Lenders typically require at least 1.30. Bold orange marks 1.00–1.29; dark cells are below 1.00, where the equity must fund a shortfall each year.

Loan interest 7% a year

Capex / loan	Term	10¢	11¢	12¢	13¢	14¢	15¢
$100m	10 yrs	1.39×	1.52×	1.66×	1.80×	1.94×	2.08×
	12.5 yrs	1.60×	1.77×	1.93×	2.09×	2.25×	2.41×
	15 yrs	1.79×	1.97×	2.15×	2.33×	2.51×	2.68×
$110m	10 yrs	1.26×	1.39×	1.51×	1.64×	1.76×	1.89×
	12.5 yrs	1.46×	1.60×	1.75×	1.90×	2.04×	2.19×
	15 yrs	1.63×	1.79×	1.95×	2.11×	2.28×	2.44×
$120m	10 yrs	1.15×	1.27×	1.39×	1.50×	1.62×	1.73×
	12.5 yrs	1.34×	1.47×	1.60×	1.74×	1.87×	2.01×
	15 yrs	1.49×	1.64×	1.79×	1.94×	2.09×	2.24×
$130m	10 yrs	1.07×	1.17×	1.28×	1.39×	1.49×	1.60×
	12.5 yrs	1.23×	1.36×	1.48×	1.60×	1.73×	1.85×
	15 yrs	1.38×	1.51×	1.65×	1.79×	1.93×	2.06×
$140m	10 yrs	0.99×	1.09×	1.19×	1.29×	1.39×	1.48×
	12.5 yrs	1.15×	1.26×	1.38×	1.49×	1.60×	1.72×
	15 yrs	1.28×	1.41×	1.53×	1.66×	1.79×	1.92×
$150m	10 yrs	0.92×	1.02×	1.11×	1.20×	1.29×	1.39×
	12.5 yrs	1.07×	1.18×	1.28×	1.39×	1.50×	1.60×
	15 yrs	1.19×	1.31×	1.43×	1.55×	1.67×	1.79×

Loan interest 8% a year

Capex / loan	Term	10¢	11¢	12¢	13¢	14¢	15¢
$100m	10 yrs	1.33×	1.46×	1.59×	1.72×	1.86×	1.99×
	12.5 yrs	1.52×	1.67×	1.83×	1.98×	2.13×	2.28×
	15 yrs	1.68×	1.85×	2.02×	2.19×	2.36×	2.52×
$110m	10 yrs	1.21×	1.33×	1.45×	1.57×	1.69×	1.81×
	12.5 yrs	1.38×	1.52×	1.66×	1.80×	1.94×	2.08×
	15 yrs	1.53×	1.68×	1.84×	1.99×	2.14×	2.29×
$120m	10 yrs	1.10×	1.22×	1.33×	1.44×	1.55×	1.66×
	12.5 yrs	1.27×	1.40×	1.52×	1.65×	1.78×	1.90×
	15 yrs	1.40×	1.54×	1.68×	1.82×	1.96×	2.10×
$130m	10 yrs	1.02×	1.12×	1.22×	1.33×	1.43×	1.53×
	12.5 yrs	1.17×	1.29×	1.40×	1.52×	1.64×	1.76×
	15 yrs	1.29×	1.42×	1.55×	1.68×	1.81×	1.94×
$140m	10 yrs	0.95×	1.04×	1.14×	1.23×	1.33×	1.42×
	12.5 yrs	1.09×	1.20×	1.30×	1.41×	1.52×	1.63×
	15 yrs	1.20×	1.32×	1.44×	1.56×	1.68×	1.80×
$150m	10 yrs	0.88×	0.97×	1.06×	1.15×	1.24×	1.33×
	12.5 yrs	1.01×	1.12×	1.22×	1.32×	1.42×	1.52×
	15 yrs	1.12×	1.23×	1.35×	1.46×	1.57×	1.68×

Project (unlevered) NPV and IRR

Before financing: present value of operating cash flows less capex. This does not depend on the loan term. USD millions; IRR is the same for every WACC.

Capex	IRR at 10¢	IRR at 15¢	NPV 5% · 10¢	NPV 5% · 15¢	NPV 6% · 10¢	NPV 6% · 15¢	NPV 7% · 10¢	NPV 7% · 15¢	NPV 8% · 10¢	NPV 8% · 15¢
$100m	19.2%	28.9%	205.0	357.5	171.8	307.7	144.1	266.1	120.7	231.0
$110m	17.4%	26.3%	195.0	347.5	161.8	297.7	134.1	256.1	110.7	221.0
$120m	15.9%	24.1%	185.0	337.5	151.8	287.7	124.1	246.1	100.7	211.0
$130m	14.7%	22.2%	175.0	327.5	141.8	277.7	114.1	236.1	90.7	201.0
$140m	13.5%	20.6%	165.0	317.5	131.8	267.7	104.1	226.1	80.7	191.0
$150m	12.6%	19.2%	155.0	307.5	121.8	257.7	94.1	216.1	70.7	181.0

Method and notes

1. Revenue = 200,000,000 kWh × tariff. Operating cash flow = revenue less O&M at 3.5% of revenue (USD 19.3m a year at 10¢; USD 28.95m at 15¢).
2. Debt service is a level monthly annuity at the stated fixed loan rate (5–8%) over the stated loan term, on a loan equal to capex. Cash flows are taken at each year end and discounted at WACC.
3. Equity NPV = present value of (operating cash flow less debt service) over 32 years. Where the loan rate equals WACC, equity NPV is close to project NPV, because the loan itself neither adds nor destroys value. A loan cheaper than WACC adds value and a dearer one reduces it; a longer loan term magnifies either effect.
4. The analysis excludes panel degradation (typically 0.4–0.5% a year), inverter and battery replacement, insurance, land rent, tax and residual value. Including these would reduce the NPVs shown.
5. Indicative only: for discussion purposes and not an offer of finance or investment advice.

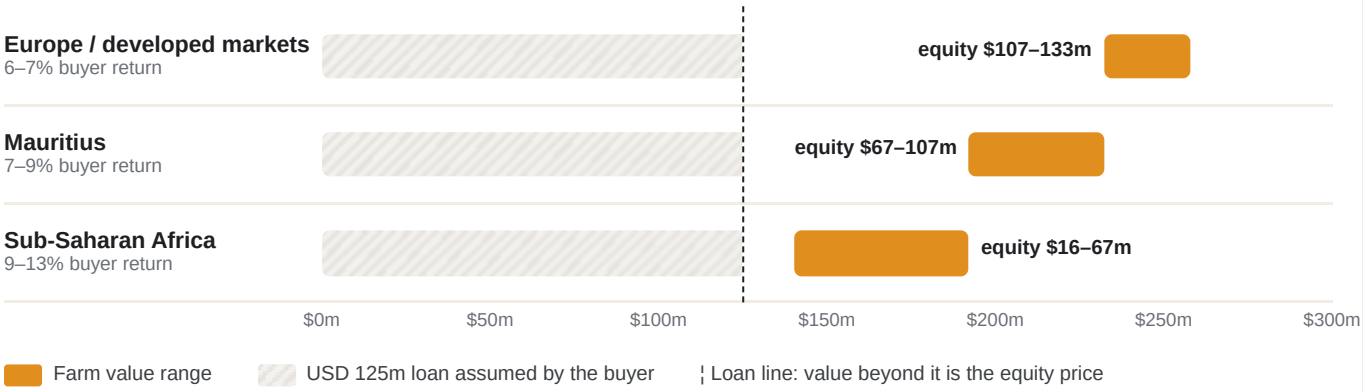
Indicative sale price on commissioning, by market

What a buyer might pay for the completed farm, taking over the full USD 125m CAPEX loan. The same farm is worth very different amounts depending on where it is, because buyers demand a higher return for higher country, currency and offtaker risk. The buyer's required return replaces the 7% WACC as the discount rate.

Capex and loan	**USD 125m**	Loan	**7% fixed, 12.5 years, assumed by buyer**
Tariff / generation	**10¢ fixed · 200 GWh a year**	O&M	**3.5% of revenue**
Useful life	**32 years from commissioning**	Degradation	**0.5% a year (buyer standard)**

Farm value and equity price by market (USD m)

Orange bar: range of total farm value (enterprise value). Hatched: the USD 125m loan the buyer takes over. The equity price is the part of the bar beyond the dashed loan line.



Market	Buyer's return	Farm value	Equity price	Value per MW	Value vs build cost
Europe / developed markets Reference only: core infrastructure funds, low country and currency risk	6–7%	$232–258m	**$107–133m**	$2.32–2.58m	+86% to +106%
Mauritius Stable, investment-grade sovereign; CEB offtaker; USD-linked returns	7–9%	$192–232m	**$67–107m**	$1.92–2.32m	+54% to +86%
Sub-Saharan Africa South Africa, Namibia, Botswana, Zambia, Kenya, Ghana, Zimbabwe: higher country, currency and payment risk	9–13%	$141–192m	**$16–67m**	$1.41–1.92m	+12% to +54%

What moves the price within a market

Offtaker and guarantees

A sovereign or World Bank / MIGA guarantee, or an investment-grade offtaker, can lower the buyer's return by 1–2%, worth roughly USD 10–40m of equity.

Currency of the tariff

A USD tariff paid in hard currency supports the prices shown. A local-currency tariff typically adds 2–4% to the buyer's return in African markets.

Track record

A farm with 1–2 years of metered output sells for more than one just commissioned: buyers pay for proven generation rather than the forecast.

Notes

1. Farm value is the present value of 32 years of operating cash flow (USD 19.3m in year 1, falling 0.5% a year), discounted at the buyer's required return. Equity price = farm value less the USD 125m loan outstanding at commissioning.
2. Buyer returns by market are illustrative assumptions reflecting typical risk premiums, not market quotes. Actual pricing depends on the offtake contract, the buyer and conditions at the time of sale.
3. Within Sub-Saharan Africa, the more established markets (South Africa, Namibia, Botswana) sit towards the top of the range and higher-risk markets such as Zimbabwe towards the bottom; above a 13% required return the equity value falls towards zero without a guarantee or a stronger offtaker.
4. Indicative only: for discussion purposes and not an offer, valuation opinion or investment advice.