

Capital Dynamics Secures Tax Equity to Retrofit its California Flats Solar Project with Battery Energy Storage

Arevon Overseeing Construction and Operation of the Facility on Historic Hearst Corporation Ranch

NEW YORK – July 29, 2021 – Capital Dynamics, an independent global private asset management firm, announced its Clean Energy Infrastructure (CEI) business has secured tax equity investments from Goldman Sachs and U.S. Bank for the 60 megawatt (MW)/240 megawatt-hour (MWh) California Flats Battery Energy Storage System (California Flats BESS). The storage installation is being built on the same site as the 280 MWac California Flats Solar power plant operating within the historic Jack Ranch owned by The Hearst Corporation, located in San Luis Obispo and Monterey counties in central California. Arevon, a Capital Dynamics affiliate, is overseeing construction of the battery storage system and will operate it in conjunction with the California Flats Solar facility.

“Finalizing this tax equity investment allows us to continue driving the clean energy transition,” said Henry Deng, Vice President of Clean Energy Infrastructure at Capital Dynamics. “The California Flats BESS project is a leading-edge retrofit of an operating solar site, which furthers California’s decarbonization objectives. This transaction proves that CEI and Arevon’s established relationships with our financial partners puts scalable financing at our fingertips.”

California Flats BESS will store excess solar energy during the middle of the day for dispatch during evening peak demand periods. When completed later this year, the battery system will be bidding into the California energy market to support California’s reliability needs as part of a long-term offtake agreement with Apple.

“Our financial partners recognize not only our ability to deliver quality, bankable projects but also Arevon’s innovative approaches to improving asset performance,” said John Breckenridge, Head of Clean Energy Infrastructure at Capital Dynamics. “Arevon’s deep experience with energy storage solutions makes it ideal to manage construction of California Flats BESS and optimize the plant’s long-term operation.”

“We’re excited to invest in the addition of energy storage at the California Flats solar site, continuing to support Capital Dynamics as it helps meet the clean energy needs of California,” said Philip Hatchett, account manager with U.S. Bancorp Community Development Corporation’s (USBCDC) Environmental Finance team. USBCDC is the tax credit and community development subsidiary of U.S. Bank. “Solar and storage investments like this are a tangible way to measure reductions in carbon footprint and combat climate change, and that will have a positive impact on our environment for years to come.”

“Financing that enables energy storage assets to be paired with solar farms allows renewable power to be shifted to times of peak load and simultaneously strengthens and stabilizes the grid,” said Vivek Kagzi, a vice president in the Sustainable Investing business within Goldman Sachs Asset Management. “This investment with Capital Dynamics is one of several that we have executed with the team and is part of our ongoing commitment to building a clean energy future.”

Amis, Patel & Brewer, LLP represented Capital Dynamics as legal counsel.

About Capital Dynamics

Capital Dynamics is an independent global asset management firm focusing on private assets, including private equity (primaries, secondaries co-investments), private credit, and clean energy infrastructure. Created in 1988, the Firm has extensive knowledge and experience developing solutions tailored to meet the exacting needs of a diverse and global client base of institutional and private wealth investors. As of Q1 2021, Capital Dynamics oversees more than USD 15 billion in assets under management and advisement¹, and employs approximately 160 professionals globally across 13 offices in Europe, the Middle East, North America, and Asia. Capital Dynamics is a recognized industry leader in responsible investing, receiving the highest marks from the UNPRI for its Strategy & Corporate Governance, and investment strategies. For more information, please visit: www.capdyn.com

About Arevon

Arevon is a global provider and North America's leading renewable energy company, offering comprehensive renewable energy infrastructure solutions to institutional investors and long-term owners that maximize value across the entire lifecycle of assets. Arevon is an affiliate of Capital Dynamics, benefitting from the global scale and extensive market insight of the global Capital Dynamics Clean Energy Infrastructure (CEI) platform.

Arevon's global fleet of PV solar and onshore wind assets now exceeds 6.5 GWdc, representing over \$9 billion in invested capital. Arevon operates the second-largest portfolio of operating solar assets in North America, with over 3.5 GWdc of commercially operating utility-scale, commercial/industrial, distributed generation, and battery storage assets. With an additional 3.0 GWdc of solar assets currently under construction in the United States, Arevon is leading the renewable energy revolution in one of the most exciting industries of the 21st century. In addition, Arevon in the UK manages CEI's platform of over 200 MW of operational onshore wind and solar assets in the UK, a further 450 MW of construction assets in Europe and is mandated on the acquisition, development and construction of an extensive pipeline of utility-scale solar assets in the UK and Europe. For more information, please visit www.arevonenergy.com.

About Goldman Sachs Asset Management

Bringing together traditional and alternative investments, Goldman Sachs Asset Management provides clients around the world with a dedicated partnership and focus on long-term performance. As the primary investing area within Goldman Sachs (NYSE: GS), we deliver investment and advisory services for the world's leading institutions, financial advisors and individuals, drawing from our deeply connected global network and tailored expert insights, across every region and market —overseeing more than \$2 trillion in assets under supervision worldwide as of June 30, 2021. Driven by a passion for

¹ As of March 31, 2021. Assets Under Management are calculated based on the total commitments as of the final closing date for all funds currently managed by Capital Dynamics, including amounts that have been distributed. Assets Under Advisement includes assets for which Capital Dynamics provides services such as reporting, monitoring and risk management.

our clients' performance, we seek to build long-term relationships based on conviction, sustainable outcomes, and shared success over time. Follow us on [LinkedIn](#).

About U.S. Bancorp Community Development Corporation

With \$35.34 billion in tax credit equity committed as of May 31, 2021, U.S. Bancorp Community Development Corporation, a subsidiary of U.S. Bank, provides innovative financing solutions for community development projects across the country using state and federally sponsored tax credit programs. USBCDC's commitments provide capital investment to areas that need it the most and contribute to the creation of new jobs, the rehabilitation of historic buildings, the construction of needed affordable housing, the development of renewable energy facilities, and the generation of commercial economic activity in underserved communities. Visit USBCDC on the web at www.usbank.com/cdc.

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