



## Capital Dynamics Expands Strategic Relationship with Tenaska to Develop Energy Storage in California

*Designed to Resolve California's Growing Need for Clean Local Capacity*

**New York – August 19, 2020:** Capital Dynamics, an independent global private asset management firm, today announced that its Clean Energy Infrastructure business has signed an agreement with respected U.S. energy company Tenaska to develop a portfolio of nine battery energy storage system (BESS) projects located throughout California's highest electrical load centers. The agreement expands the strategic relationship between the two companies, which jointly own two solar facilities in the Imperial Valley of California and are developing additional solar projects.

The BESS projects are designed to deliver local preferred and non-greenhouse gas (GHG) power resources to manage high-demand conditions caused by California heat waves, power supply shortages, and growing local power supply deficiencies in the Bay Area, Los Angeles and San Diego areas, that cannot be reliably served solely by intermittent renewables.

"With its focus on achieving robust clean energy goals, California is poised for continued significant growth in energy storage demand," said **Benoit Allehaut, Managing Director in Capital Dynamics Clean Energy Infrastructure** team. "We are excited to join with Tenaska to build high-quality battery energy storage facilities to help integrate renewables and reinforce CAISO grid reliability and resilience. We hope to quickly contract resource adequacy with utilities and CCAs to grow this portfolio."

The BESS facilities will store and maximize the use of clean, renewable energy sources like solar and wind, so they may be deployed back to the grid during peak energy usage periods. In total, the projects will provide approximately 2,000 megawatts (MW) of critically needed clean energy into the California Independent System Operator (CAISO) market.

Currently, California relies heavily on carbon-emitting fossil-fueled power resources to meet peak energy needs, typically occurring after mid-day solar energy supplies drop off. Battery storage is a proven, safe, reliable, and cost-effective alternative that can help reduce the state's dependence on fossil fuels by storing and shifting clean energy production during the day to the most needed evening hours.

"Tenaska's expertise lies in leveraging changing energy needs into infrastructure solutions," said **Tim Hemig, Senior Vice President in Tenaska's Strategic Development & Acquisition Group**. "We are excited to pair our development skills with Capital Dynamics' international capital origination and structuring capabilities to bring these reliable and sustainable battery energy storage projects to fruition."

This California BESS collaboration between Capital Dynamics and Tenaska builds on successful development agreements between the two companies to develop 24 solar projects totaling approximately 4,800 megawatts (MW) of renewable generation in the Midcontinent Independent System Operator (MISO) market and Southeast Reliability Council (SERC).

Marathon Capital acted as an advisor to Tenaska on the transaction.

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## About Capital Dynamics

Capital Dynamics is an independent global asset management firm focusing on private assets including private equity, private credit and clean energy infrastructure.

Capital Dynamics' Clean Energy Infrastructure (CEI) is one of the largest renewable energy investment managers in the world with USD 6.5 billion AUM,<sup>i</sup> and has one of the longest track records in the industry. The CEI strategy was established to invest directly in proven renewable energy infrastructure technologies, with a focus on utility scale and distributed generation, solar, wind and storage. The CEI platform's dedicated asset management business provides highly-specialized services to seek to ensure optimal performance and value from projects. The CEI strategy currently manages 7.3 GW of gross power generation across more than 150 projects in the United States and Europe,<sup>ii</sup> and is one of the top 3 global solar PV owners as well as one of the largest owners of contracted battery storage projects in the United States.<sup>iii</sup>

Since the CEI platform's inception in 2010, over 16 million metric tons of greenhouse gas emissions have been avoided as a result of the firm's renewable investments.<sup>iv</sup> This is equivalent to the power needed to supply more than 3 million passenger vehicles for one year.

In 2020, Capital Dynamics was awarded the highest rating (A+) from the UN-supported Principles for Responsible Investment for its CEI strategy. In 2019, the CEI strategy received top rankings from GRESB (the ESG benchmark for real assets) for commitment to sustainability, and was awarded Global Energy PE Firm of the Year by Private Equity International. For more information, please visit: [www.capdyn.com](http://www.capdyn.com).

## About Tenaska

Tenaska, based in Omaha, Nebraska, is one of the leading independent energy companies in the United States. Forbes magazine consistently ranks Tenaska among the 50 largest private U.S. companies. Gross operating revenues were approximately \$9.9 billion in 2019.

Tenaska has developed approximately 10,500 megawatts of natural gas-fueled and renewable power projects. Affiliate Tenaska Solar Ventures provides development services to approximately 65 projects in 15 states, totaling roughly 11,000 MW of renewable solar capacity. Tenaska and its affiliates have managed the acquisition and divestiture of 10,500 MW of energy assets. The current Tenaska operating fleet includes 12 natural gas-fueled and renewable generating facilities able to generate approximately 8,200 MW combined.

Tenaska affiliates are industry leaders in natural gas and electric power marketing. Tenaska Marketing Ventures (TMV) is among the top five largest natural gas marketers in North America and is the top-ranked natural gas pipeline capacity trader. During 2019, TMV sold or managed 10.7 billion cubic feet (Bcf) of natural gas per day. Tenaska Power Services Co. is the leading provider of energy management services to generation and demand-side customers in the U.S., with more third party-owned generation under management than any other provider.

For more information, visit [www.tenaska.com](http://www.tenaska.com) or follow the company on LinkedIn and Facebook.

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<sup>i</sup> Capital Dynamics as of June 30, 2020. Includes assets in renewable energy projects managed by Capital Dynamics, including USD 4.1 bn assets under discretionary management and USD 2.4 bn tax equity assets. Tax equity is a financing solution for renewable energy projects. Capital Dynamics makes no representation as to future size or growth of the CEI program.

<sup>ii</sup> Capital Dynamics, as of June 30, 2020. Includes operational assets, partially commissioned assets and contracted pre-NTP assets with PPAs secured.

<sup>iii</sup> Renewable Assets (Owners) League Tables. Bloomberg New Energy Finance as of June 30, 2020. Includes (i) assets with financing secured / under construction, (ii) partially commissioned assets, and (iii) commissioned assets projects globally, excluding China.

<sup>iv</sup> Environmental benefits are based on US Environmental Protection Agency Greenhouse Gas Equivalencies Calculator.