

BUFFALO ENERGY



Location
Zambia

PROJECT SUMMARY

A convertible note from REPP is enabling British renewable energy developer Buffalo Energy Ltd to progress a diverse pipeline of projects in Zambia with a combined generating capacity of up to 100MW.

Buffalo Energy was set up in 2016 to develop small-scale projects to provide low-cost electricity to the southern African country's rural communities, most of which currently lack reliable access to modern clean energy.

In 2017, the company raised seed capital to originate several opportunities and initiate development on a six-project portfolio, which includes grid-connected, captive and off-grid schemes employing utility-scale solar PV, biomass, wind and minigrid technologies.

For its grid-connected projects, Buffalo Energy has a co-operation agreement – through its Zambian subsidiary, Buffalo Solar – with Zambian developer Western Renewable Power Limited.

The convertible note means Buffalo Energy can now fund a further 24 months of operations, and cover the project development expenses to bring projects to financial close.

Once built, the six projects will contribute significantly to both Zambia's energy diversification strategy, and its target of 51% energy access in rural areas by 2030 – which as of 2016 reportedly had an electrification rate of just 3%.

Project offtakers are Zesco (for grid-connected projects), industrial and commercial customers (captive power projects), and rural communities (minigrids).

AT A GLANCE

Technology

Various



Project type

Grid-connected, captive, off-grid

Offtaker

Various (see project summary)

KPIs



Greenhouse gas emissions avoided: 87,448 tCO₂e per year



People with first-time or improved energy access: TBC



Jobs created: 600 during construction, 60 during operation



Installed capacity: 40MW (attributable to REPP's contribution)

FUNDING STRUCTURE

Contracted date

23 October 2018

Lending type

Corporate convertible loan

REPP funding

Undisclosed

"With REPP support, Buffalo Energy has a fantastic platform from which to accelerate our projects and build out our portfolio. This investment will enable the company to advance the ongoing diversification and development of the Zambian energy sector, and expand our regional impact."

Will Dryer, Director, Buffalo Energy Ltd