

Sunnova Energy International Inc. deal summary

On Dec. 23, 2019, the Tortoise energy team closed a convertible debt financing in the Tortoise Essential Assets Income Term Fund. Sunnova Energy International Inc. (NOVA) is a leading residential solar and energy storage service provider, serving customers in more than 20 U.S. states and territories. Access to this capital will allow NOVA to fund its continued growth in customer count and battery storage sales, as well as fund the purchase of inventory that the company intends to use to allow related solar energy systems to qualify for a 30% Federal investment tax credit (ITC) by satisfying the 5% safe harbor method. We think this deal provides opportunity to capitalize on cost reductions and increased solar installations in the U.S. residential market.



Investment details

- Investment type: convertible notes
- Investment size: approximately \$5,300,000
- Coupon: 9.75%*

* Investment rolled into a new security in May 2020 in which the coupon was increased from 7.75% to 9.75%

Disclaimer

TCA Advisors is the adviser to the Tortoise Essential Assets Income Term Fund, and Ecofin Advisors Limited is the fund's sub-adviser. TortoiseEcofin focuses on essential assets – those assets and services that are indispensable to the economy and society. We strive to make a positive impact on clients and communities by investing in energy infrastructure and the transition to cleaner energy and by providing capital for social impact projects focused on education and seniors housing. TortoiseEcofin brings together strong legacies from Tortoise, with expertise investing across the energy value chain for more than 20 years, and from Ecofin, which unites ecology and finance and has roots back to the early 1990s. This communication is for informational purposes only and is not intended to solicit an offer to purchase securities.