



Temporis seeks £20m for UK renewables

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The number of fund managers seeking to raise money for UK renewable energy continues to increase, this time through VCTs.

Temporis Capital, a London-based investment manager, is seeking to raise up to £20 million (€24 million; \$33 million) through two venture capital trusts (VCTs) for investment in UK wind and hydro opportunities.

The capital will be raised through the Ventus VCT and Ventus 2 VCT, which have issued a joint offer for subscription for D shares. The proceeds will be split equally between the two VCTs and invested in an existing pipeline of wind and hydro projects by Temporis Capital.

Because the projects are captive, Temporis said in a statement that it would be possible to fully deploy the capital raised within 12 months.

Investors will be offered a targeted minimum annual dividend of 5p per D share from year two onwards. Accounting for VCT tax reliefs, this amounts to a tax-free 7 percent yield on invested capital.

Temporis, which was founded in 2005, focuses on investing in and managing renewable energy projects and has been involved in the creation of over 200 megawatts of renewable capacity.

“More wind power has been installed in the UK in the last three years than in the previous 20 years, and the Ventus VCTs are well-positioned to take advantage of this upward trend,” said Temporis partner Matthew Ridley in the statement. “In December 2013, a month with unusually high wind levels, more wind power was produced in the UK than ever before.”

He added: “We are also confident in the outlook for hydroelectricity, the key advantage here versus other forms of renewable energy being the reduced visual impact on the landscape and long duration of operation. Hydro schemes are inexpensive to run and operate, and we expect to generate attractive total returns from them.”

Capital has been piling into listed UK renewable energy offerings over the last year or so. Yesterday, John Laing Environmental Assets Group announced it was seeking up to £174 million for an environmental infrastructure fund. It follows previously announced listings by the likes of Bluefield Solar, Foresight Income Solar Fund, The Renewables Investment Group, Greencoat UK Wind and Ingenious Clean Energy.