

1867-NELKSI LLC's \$9.9 Million Solar Tax Equity Fund Scored E1/80 On Green Transaction Evaluation

NEW YORK, March 30, 2021 /PRNewswire/ -- S&P Global Ratings said today in its Green Transaction Evaluation of [Nelnet Inc.](#) recent \$9.9 million solar tax equity fund (issued by subsidiary 1867-NELKSI LLC) that it scored the transaction as E1/80. E1 is the highest score on our scale; E4 is the lowest. The full Green Transaction Evaluation report is available at <https://www.capitaliq.com/CIQDotNet/CreditResearch/pdf.aspx?ResearchDocumentId=47701151&isPDA=Y>.

"These green energy projects sit at the top of our carbon hierarchy as they contribute to systemic decarbonization of the economy," said Kimberly Garen, the primary author of the evaluation. "However, the low carbon-intensity of the regional grid mix in New York State limits the ranking in a global context compared with more carbon-intense regions."

Nelnet issued the 1867-NELKSI solar tax equity fund of \$9.9 million for the purpose of funding four photovoltaic solar projects in Upstate New York.

We view the Governance and Transparency to be very strong. All projects selected must qualify for the IRC Section 48 solar tax credit and proceeds cannot be used for other purposes. The projects financed by this transaction were selected and constructed prior to investor participation. The NELKSI Fund is closed and will not add any projects beyond the four disclosed to investors. Additionally, Nelnet intends to submit annual third-party audited environmental impact reports detailing solar production during the reporting period. Investors will also receive annual third-party audited financial reports for 1867-NELKSI.

S&P Global Ratings' Green Evaluations are not credit ratings. A Green Evaluation is an asset-level environmental credential that builds upon current frameworks of governance and transparency (e.g., Green Bond Principles) and considers approaches for climate resilience and environmental impact. These analyses aim to provide investors with a comprehensive picture of the green impact and climate risk attributes of their portfolios and can be applied to any type of financing, in part or in full.

Standard & Poor's Financial Services LLC or its affiliates (collectively, S&P) receives compensation for the provision of the Sustainable Finance External Reviews and Opinions product (Product). S&P may also receive compensation for rating the transactions covered by the Product or for rating the issuer of the transactions covered by the Product. The purchaser of the Product may be the issuer.

The Product is not a credit rating, and do not consider credit quality or factor into our credit ratings. The Product does not consider, state or imply the likelihood of completion of any projects covered by a given financing, or the completion of a proposed financing. The Product encompasses Framework Alignment Opinions and Transaction Evaluations. Types of Framework Alignment Opinions include: (i) Green Framework Alignment Opinion: a Green Framework Alignment Opinion provides a second opinion on alignment of a green financing framework with the published "Green Bond Principles" and/or "Green Loan Principles"; (ii) Social Framework Alignment Opinions: a Social Framework Alignment Opinion provides a second opinion on alignment of a social financing framework with the published "Social Bond Principles"; and (iii) Social Framework Alignment Opinions: a Social Framework Alignment Opinion provides a second opinion on alignment of a social financing framework with the published "Social Bond Principles." Transaction Evaluations include Green Transaction Evaluations: a Green Transaction Evaluation provides a relative green impact score on instruments targeted at financing environmentally beneficial projects and may also include a second opinion on alignment of the instrument with the published "Green Bond Principles" and/or "Green Loan Principles." The Product is a statement of opinion and is neither a verification nor a certification. The Product is a point in time evaluation reflecting the information provided to us at the time that the Product was created and published, and is not surveilled. The Product is not a research report and is not intended as such.

S&P's credit ratings, opinions, analyses, rating acknowledgment decisions, any views reflected in the Product and the output of the Product are not investment advice, recommendations regarding credit decisions, recommendations to purchase, hold, or sell any securities or to make any investment decisions, an offer to buy or sell or the solicitation of an offer to buy or sell any security, endorsements of the suitability of any security, endorsements of the accuracy of any data or conclusions provided in the Product, or independent verification of any information relied upon in the credit rating process. The Product and any associated presentations do not take into account any user's financial objectives, financial situation, needs or means, and should not be relied upon by users for making any investment decisions. The output of the Product is not a substitute for a user's independent judgment and expertise. The output of the Product is not professional financial, tax or legal advice, and users should obtain independent, professional advice as it is determined necessary by users.

While S&P has obtained information from sources it believes to be reliable, S&P does not perform an audit and undertakes no duty of due diligence or independent verification of any information it receives.

S&P and any third-party providers, as well as their directors, officers, shareholders, employees or agents (collectively S&P Parties) do not guarantee the accuracy, completeness, timeliness or availability of the Product. S&P Parties are not responsible for any errors or omissions (negligent or otherwise), regardless of the cause, for reliance of use of information in the Product, or for the security or maintenance of any information transmitted via the Internet, or for the accuracy of the information in the Product. The Product is provided on an "AS IS" basis. S&P PARTIES MAKE NO REPRESENTATION OR WARRANTY, EXPRESS OR IMPLIED, INCLUDED BUT NOT LIMITED TO, THE ACCURACY, RESULTS, TIMELINESS, COMPLETENESS, MERCHANTABILITY OR FITNESS FOR ANY PARTICULAR PURPOSE WITH RESPECT TO THE PRODUCT, OR FOR THE SECURITY OF THE WEBSITE FROM WHICH THE PRODUCT IS ACCESSED. S&P Parties have no responsibility to maintain or update the Product or to supply any corrections, updates or releases in connection therewith. S&P Parties have no liability for the accuracy, timeliness, reliability, performance, continued availability, completeness or delays, omissions, or interruptions in the delivery of the Product.

To the extent permitted by law, in no event shall the S&P Parties be liable to any party for any direct, indirect, incidental, exemplary, compensatory, punitive, special or consequential damages, costs, expenses, legal fees, or losses (including, without limitation, lost income or lost profits and opportunity costs or losses caused by negligence, loss of data, cost of substitute materials, cost of capital, or claims of any third party) in connection with any use of the Product even if advised of the possibility of such damages.

S&P maintains a separation between commercial and analytic activities. S&P keeps certain activities of its business units separate from each other in order to preserve the independence and objectivity of their respective activities. As a result, certain business units of S&P may have information that is not available to other S&P business units. S&P has established policies and procedures to maintain the confidentiality of certain nonpublic information received in connection with each analytical process.

For PRC only: Any "Sustainable Finance External Reviews and Opinions" or "assessment" assigned by S&P Global Ratings: (a) does not constitute a credit rating, rating, social financing framework evaluation or evaluation as required under any relevant PRC laws or regulations, and (b) cannot be used within the PRC for any regulatory purpose or for any other purpose which is not permitted under relevant PRC laws or regulations. For the purpose of this section, "PRC" refers to the mainland of the People's Republic of China, excluding Hong Kong, Macau and Taiwan.

Copyright © 2021 by Standard & Poor's Financial Services LLC. All rights reserved.

This report does not constitute a rating action.

S&P Global Ratings is the world's leading provider of independent credit ratings. Our ratings are essential to driving growth, providing transparency and helping educate market participants so they can make decisions with confidence. We have more than 1 million credit ratings outstanding on government, corporate, financial sector and structured finance entities and securities. We offer an independent view of the market built on a unique combination of broad perspective and local insight. We provide our opinions and research about relative credit risk; market participants gain independent information to help support the growth of transparent, liquid debt markets worldwide.

S&P Global Ratings is a division of S&P Global (NYSE: SPGI), which provides essential intelligence for individuals, companies and governments to make decisions with confidence. For more information, visit www.spglobal.com/ratings.

Update Profile:

If you would like to update your information (telephone number, email address, company, etc.) or change the sectors you receive press releases on, please [click here](#).

Visit SPRatings.com, a free, interactive, and informative portal to access highlights from our credit research offerings. Consider this your portal to perspective: www.spratings.com.

[Regulatory Affairs and Disclaimers](#) | [Privacy and Cookie Notice](#) | [Terms of Use](#)

Copyright © 2021 by Standard & Poor's Financial Services LLC. All rights reserved.

No content (including ratings, credit-related analyses and data, valuations, model, software or other application or output therefrom) or any part thereof (Content) may be modified, reverse engineered, reproduced or distributed in any form by any means, or stored in a database or retrieval system, without the prior written permission of Standard & Poor's Financial Services LLC or its affiliates (collectively, S&P). The Content shall not be used for any unlawful or unauthorized purposes. S&P and any third-party providers, as well as their directors, officers, shareholders, employees or agents (collectively S&P Parties) do not guarantee the accuracy, completeness, timeliness or availability of the Content. S&P Parties are not responsible for any errors or omissions (negligent or otherwise), regardless of the cause, for the results obtained from the use of the Content, or for the security or maintenance of any data input by the user. The Content is provided on an "as is" basis. S&P PARTIES DISCLAIM ANY AND ALL EXPRESS OR IMPLIED WARRANTIES, INCLUDING, BUT NOT LIMITED TO, ANY WARRANTIES OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE OR USE, FREEDOM FROM BUGS, SOFTWARE

ERRORS OR DEFECTS, THAT THE CONTENT'S FUNCTIONING WILL BE UNINTERRUPTED OR THAT THE CONTENT WILL OPERATE WITH ANY SOFTWARE OR HARDWARE CONFIGURATION. In no event shall S&P Parties be liable to any party for any direct, indirect, incidental, exemplary, compensatory, punitive, special or consequential damages, costs, expenses, legal fees, or losses (including, without limitation, lost income or lost profits and opportunity costs or losses caused by negligence) in connection with any use of the Content even if advised of the possibility of such damages.

Credit-related and other analyses, including ratings, and statements in the Content are statements of opinion as of the date they are expressed and not statements of fact. S&P's opinions, analyses and rating acknowledgment decisions (described below) are not recommendations to purchase, hold, or sell any securities or to make any investment decisions, and do not address the suitability of any security. S&P assumes no obligation to update the Content following publication in any form or format. The Content should not be relied on and is not a substitute for the skill, judgment and experience of the user, its management, employees, advisors and/or clients when making investment and other business decisions. S&P does not act as a fiduciary or an investment advisor except where registered as such. While S&P has obtained information from sources it believes to be reliable, S&P does not perform an audit and undertakes no duty of due diligence or independent verification of any information it receives. Rating-related publications may be published for a variety of reasons that are not necessarily dependent on action by rating committees, including, but not limited to, the publication of a periodic update on a credit rating and related analyses.

To the extent that regulatory authorities allow a rating agency to acknowledge in one jurisdiction a rating issued in another jurisdiction for certain regulatory purposes, S&P reserves the right to assign, withdraw or suspend such acknowledgment at any time and in its sole discretion. S&P Parties disclaim any duty whatsoever arising out of the assignment, withdrawal or suspension of an acknowledgment as well as any liability for any damage alleged to have been suffered on account thereof.

S&P keeps certain activities of its business units separate from each other in order to preserve the independence and objectivity of their respective activities. As a result, certain business units of S&P may have information that is not available to other S&P business units. S&P has established policies and procedures to maintain the confidentiality of certain non-public information received in connection with each analytical process.

S&P may receive compensation for its ratings and certain analyses, normally from issuers or underwriters of securities or from obligors. S&P reserves the right to disseminate its opinions and analyses. S&P's public ratings and analyses are made available on its Web sites, www.standardandpoors.com (free of charge), and <http://www.ratingsdirect.com> and www.globalcreditportal.com (subscription), and may be distributed through other means, including via S&P publications and third-party redistributors. Additional information about our ratings fees is available at www.standardandpoors.com/usratingsfees.

Australia

Ratings are statements of opinion, not statements of fact or recommendations to buy, hold, or sell any securities or make any other investment decisions. S&P Global Ratings Australia Pty Ltd holds Australian financial services license number 337565 under the Corporations Act 2001. S&P credit ratings and related research are not intended for and must not be distributed to any person in Australia other than a wholesale client (as defined in Chapter 7 of the Corporations Act). Australian users should only access information about S&P's products and services from www.standardandpoors.com.au. Other S&P Websites are not intended for Australian users.

STANDARD & POOR'S, S&P and RATINGSDIRECT are registered trademarks of Standard & Poor's Financial Services LLC.

To manage your S&P Global Ratings subscription preferences, please click [here](#).

S&P Global Ratings, 55 Water Street, New York, NY 10041

SOURCE S&P Global Ratings

For further information: London:| +44 20 7176 3605, Paris:| +33 1 44 20 6740, Frankfurt:| +49 69 33 999 182, Milan:| +39 02 72 111 245, Moscow:| +7 495 783 4009

<https://press.spglobal.com/2021-03-30-1867-NELKSI-LLCs-9-9-Million-Solar-Tax-Equity-Fund-Scored-E1-80-On-Green-Transaction-Evaluation>