

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.

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