

DATE

March 23, 2022

SECTORS

Infrastructure

DEAL LOCATIONS



DEAL TEAM



Neale Marvin
Managing Director



Phillip Hyman
Managing Director



Parmela Chohan
Vice President

UN SDG ACTIVITY



9 INDUSTRY, INNOVATION
AND INFRASTRUCTURE



DC Advisory advised Infracapital Partners on the platform refinancing of Last Mile Infrastructure Group



Background

- Last Mile Infrastructure Group (LMI) was founded in 2006 as Energetics and rebranded in 2019, following the acquisition by Infracapital Partners (Infracapital) in 2018
- LMI is one of the UK's largest Independent Network Owners, owning and operating more than 450k of last mile electricity, gas, and water connections servicing residential and commercial customers
- LMI has a proven track record and expertise in the design, build, and adoption of last mile infrastructure that is essential to connect new buildings across Great Britain
- LMI receives regulated, inflation-linked tariffs for the lifespan of installed connections, and benefits from a well-established regulatory framework

Process

- Having advised Infracapital on the 2018 LMI acquisition, DC Advisory (DC) was engaged in 2021 to provide debt advice on the platform refinancing of the existing bank debt facilities
- The refinancing included a number of detailed workstreams covering debt structuring, financial modelling, due diligence, full documentation negotiations, and overall process management
- DC ran a comprehensive and competitive refinancing process - across both bank and institutional funding sources - with the aim of establishing a long-term financing platform to support LMI's future growth

Outcome

- DC delivered a market leading outcome to meet LMI's objectives, including:
 - Establishment of a long-term multicreditor financing platform, including facilities provided by bank and UK/USPP institutional lenders
 - Securing highly competitive implied investment grade economics, including long-term institutional debt of 15 and 20 year tenor, extending LMI's debt maturity profile
 - Secured significant committed undrawn facilities and a delayed draw institutional tranche to fund LMI's growth in its installed portfolio
 - Sustainability-linked debt provided by both bank and institutional lenders
- DC leveraged its previous experience with the asset and extensive regulated infrastructure sector knowledge to successfully lead this process
- This transaction provides a flexible financing package with competitive terms, designed to facilitate LMI's business plan and growth