SABANCI UNIVERSITY
ENERGY TECHNOLOGIES & MANAGEMENT

ETM 508 FINANCE OF ENERGY PROJECTS

WEEKLY SCHEDULE

WEEK 1
Fundamental Concepts Related to Finance and Project Finance
Definitions, Structure, Project Finance, Cash Flows, Risk-Return Relationship, WACC

WEEK 2
Project Finance Risks
Identifying key project risks, risk allocation mechanisms, offtake agreements, examples

WEEK 3
Financial Modelling in Project Finance and implications in Energy
Modelling Cash Flows, Optimal Capital Structure, Cover Ratios, Sensitivity and Scenario Analysis, Examples

WEEK 4
External Advisory Structure in Project Finance Processes, Legal Structure
Due Diligence, Syndication, Pricing, Termsheet, Agreements

WEEK 5
Financing Institutions
Multilateral Banks & Export Credit Agencies

WEEK 6
Green Finance
Sustainability, Green Bonds, Green Funds, Greenwashing

WEEK 7
Project Presentations

Students will be evaluated based on their participation, project presentation and quizzes:

Homework	10%
Quizzes:	30%
Final Project:	30%
Participation:	30%

- Final Project will include a moderately detailed 10-20 slide presentation regarding a specific topic to be selected by the project group; where the project group may include 2-3 persons.
- Participation includes voluntary exchange of ideas by the student, relevant to the course topics whether or not they have a specific experience related to the topic. If the student has further knowledge of the issues discussed in class, he/she is always welcome to share thoughts/experience

There will be at least 3-4 guests during the term, with direct relevant experience in the field. They will be announced as the program becomes set.

After the course, the student will have grasped the basics of project finance; understood how banks approach financing different kinds of projects, what are the key elements of a bankable project, and have learned the meanings of commonly used technical terms (such as termsheet, debt service etc). She/he will also be able to understand the basic workings of a financial model including modules related to financing ratios. The course will be useful for energy professionals in the field of business development, corporate finance and financial institutions even if they have a fundamental understanding of corporate finance principals.