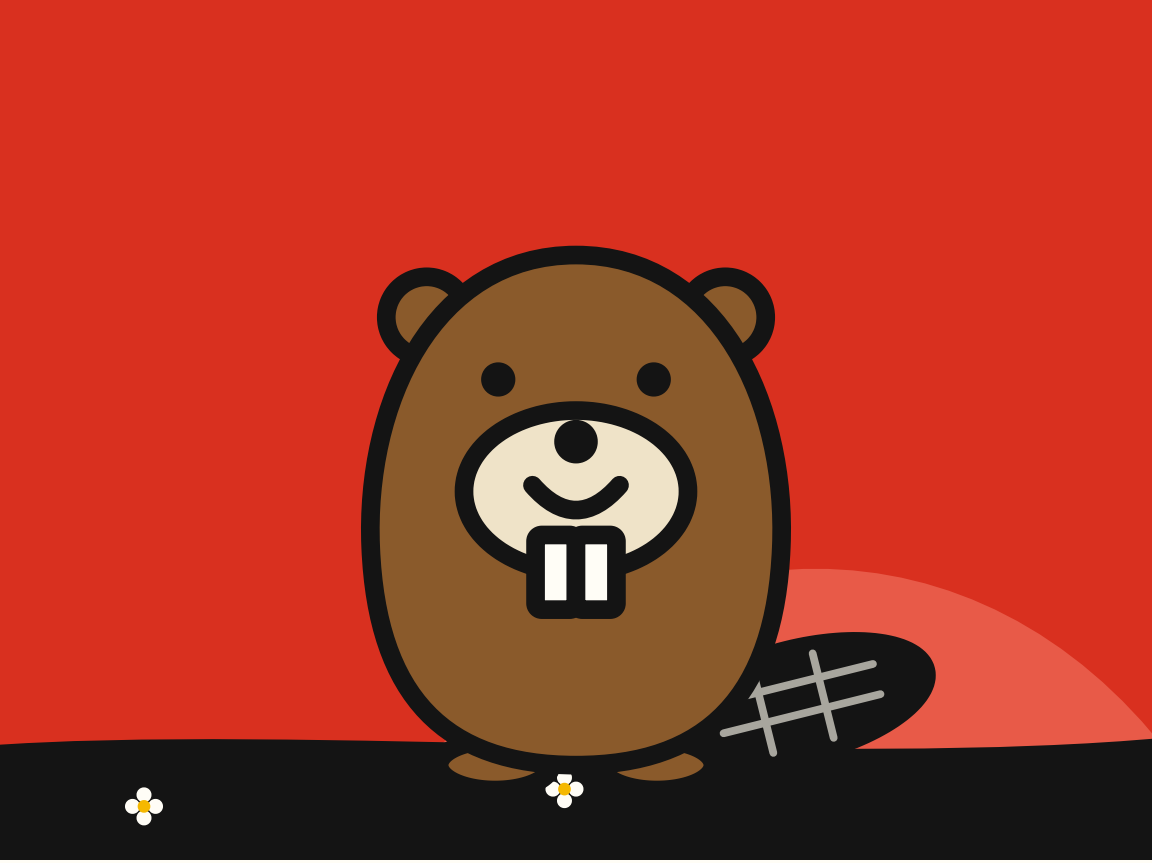
The ABCs of Infrastructure

Bea the beaver builds what a town relies on

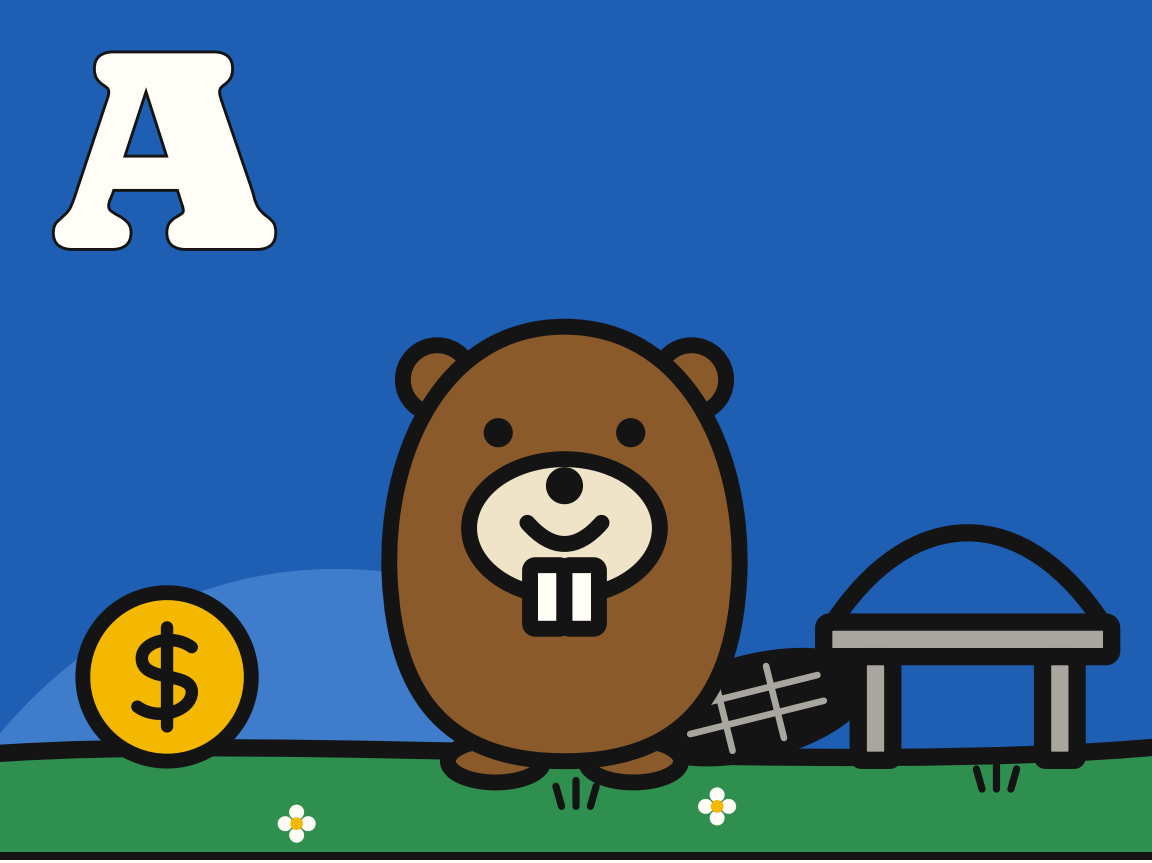


FundOpsHQ



This book belongs to

_____



Availability payment

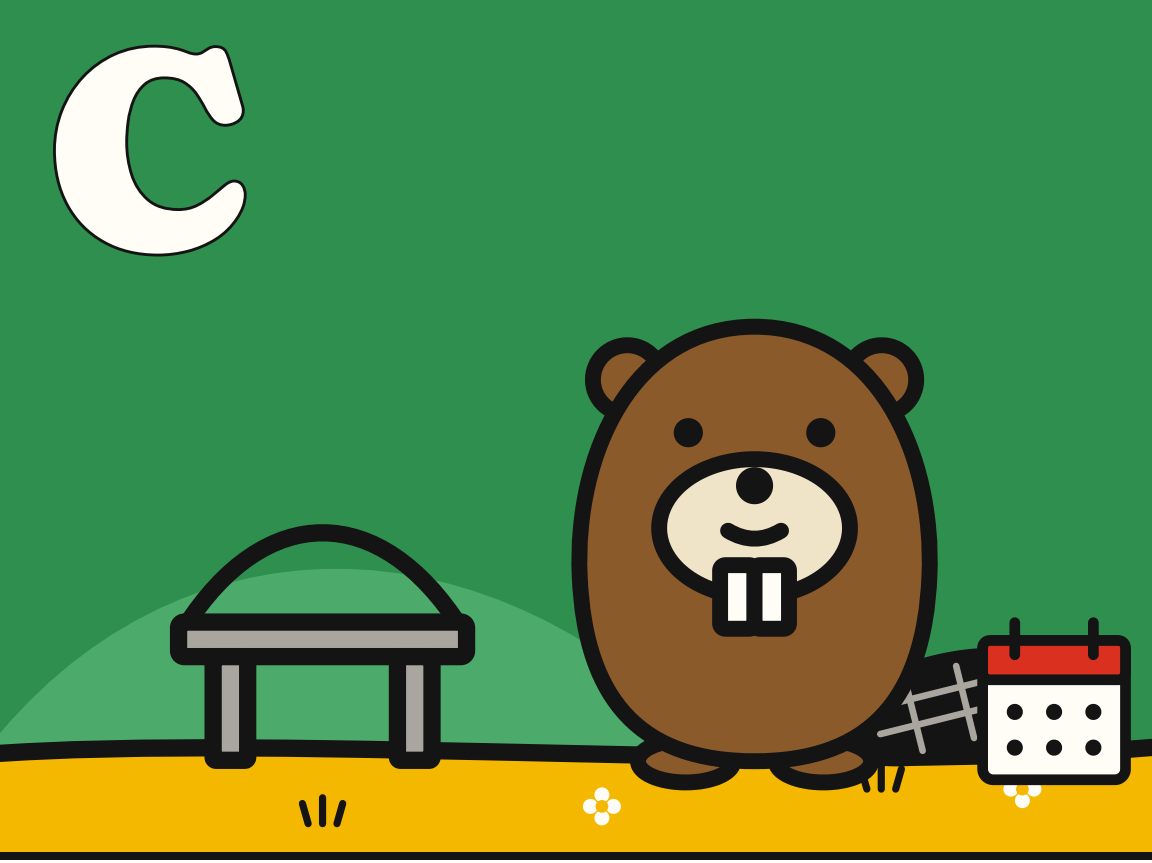
With an availability payment, the owner is paid for keeping a road open and in good repair, however many cars use it.

B



Brownfield

A brownfield asset is already built and running. A new owner looks after it and makes it better.



Concession

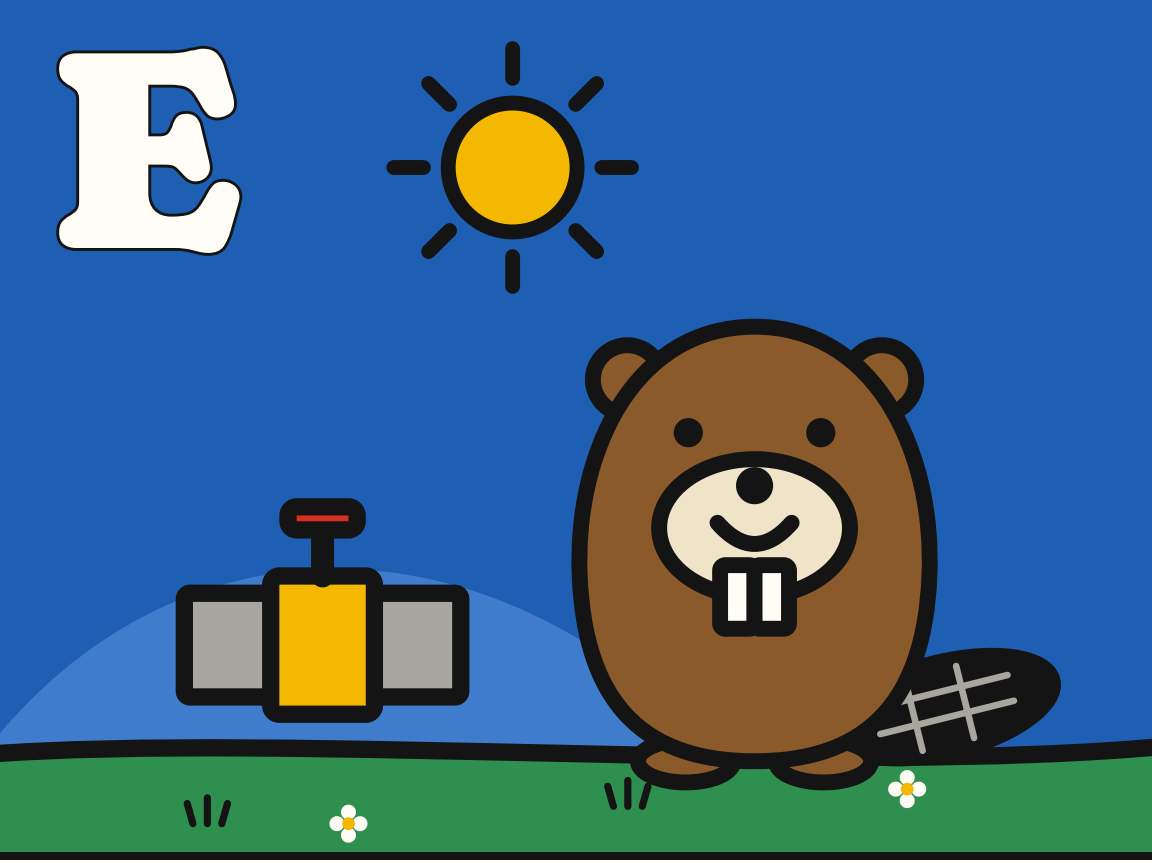
A concession is the right to run a road or a port for many years, and then hand it back.

D



Demand

Demand is how many people use something. Fewer cars on a toll road can mean less money coming in.



Essential service

Water, power and roads are essential services. People need them every single day.

F



Final investment decision

The final investment decision is the moment owners agree to go ahead and start building.



Greenfield

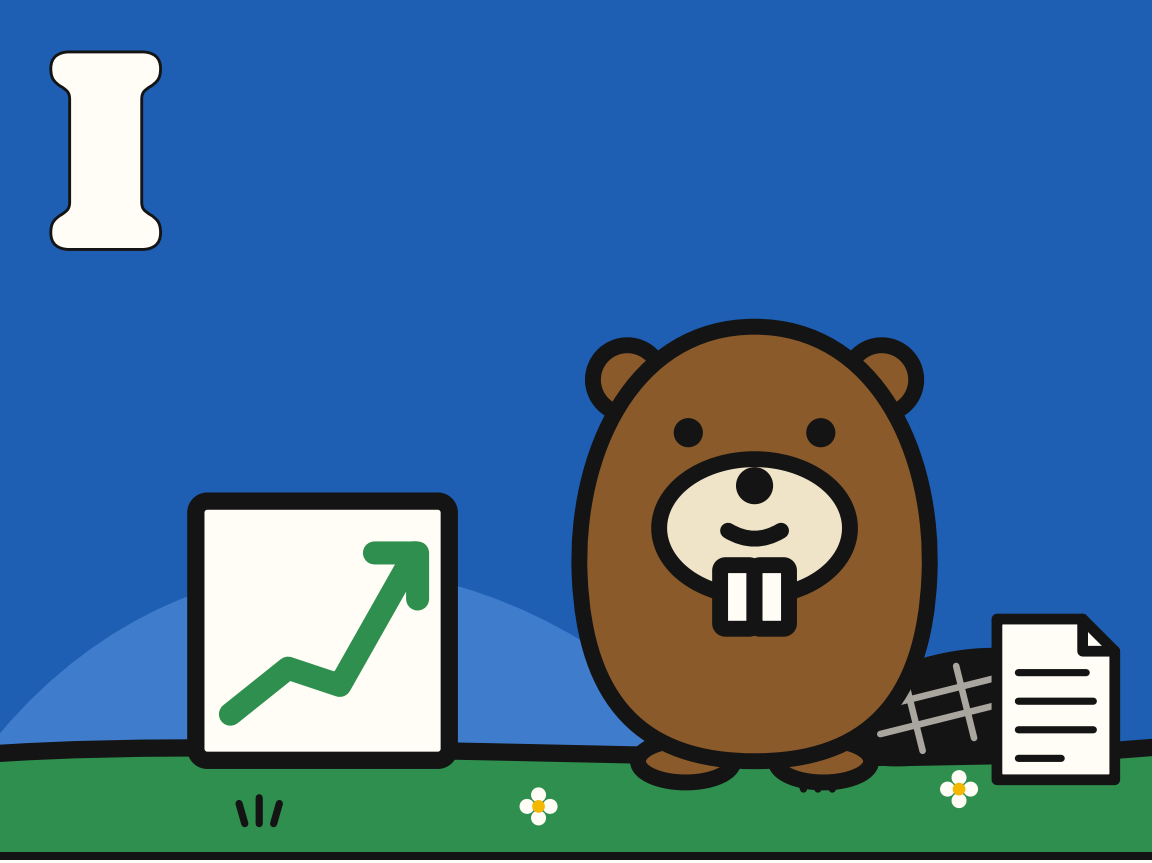
A greenfield project starts from nothing but an empty field and a plan.

H



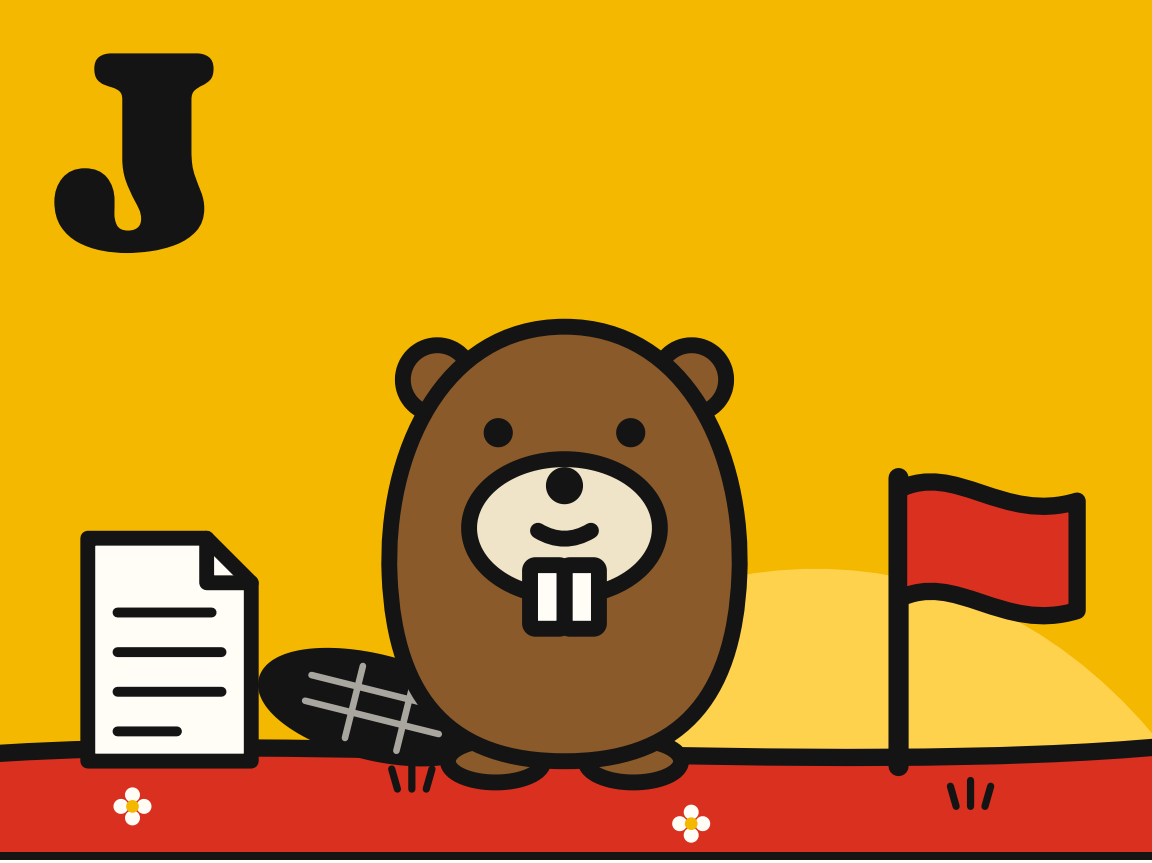
Hydro

Hydro power uses moving water to turn a turbine. Beavers have always known water is strong.



Inflation linkage

Some contracts raise the price along with inflation, so the income keeps up as costs go up.



Jurisdiction

A jurisdiction is the place whose rules apply. Long projects need rules that last.

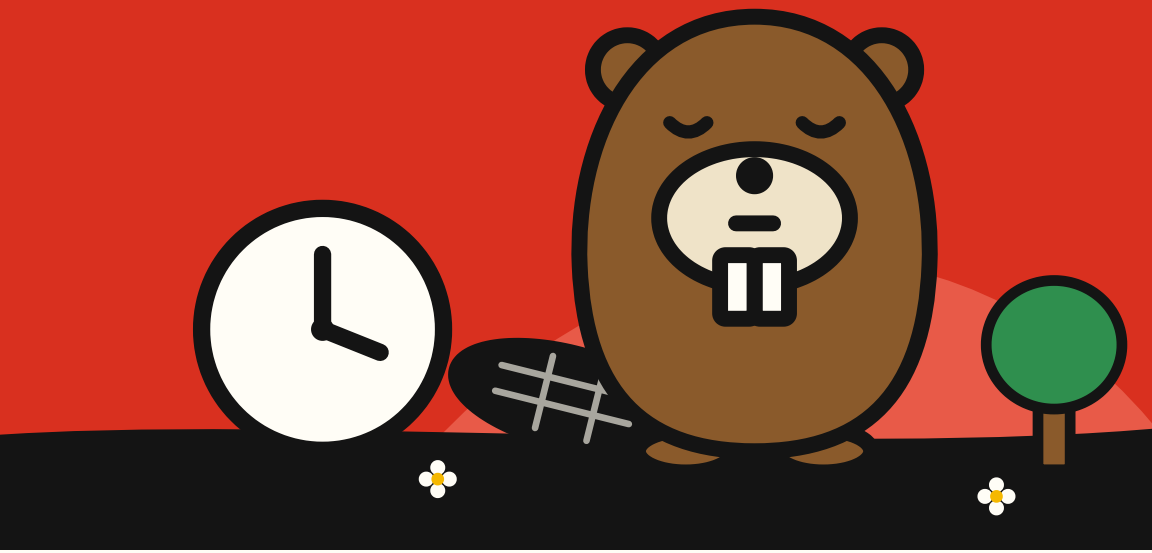
K



Kilowatt

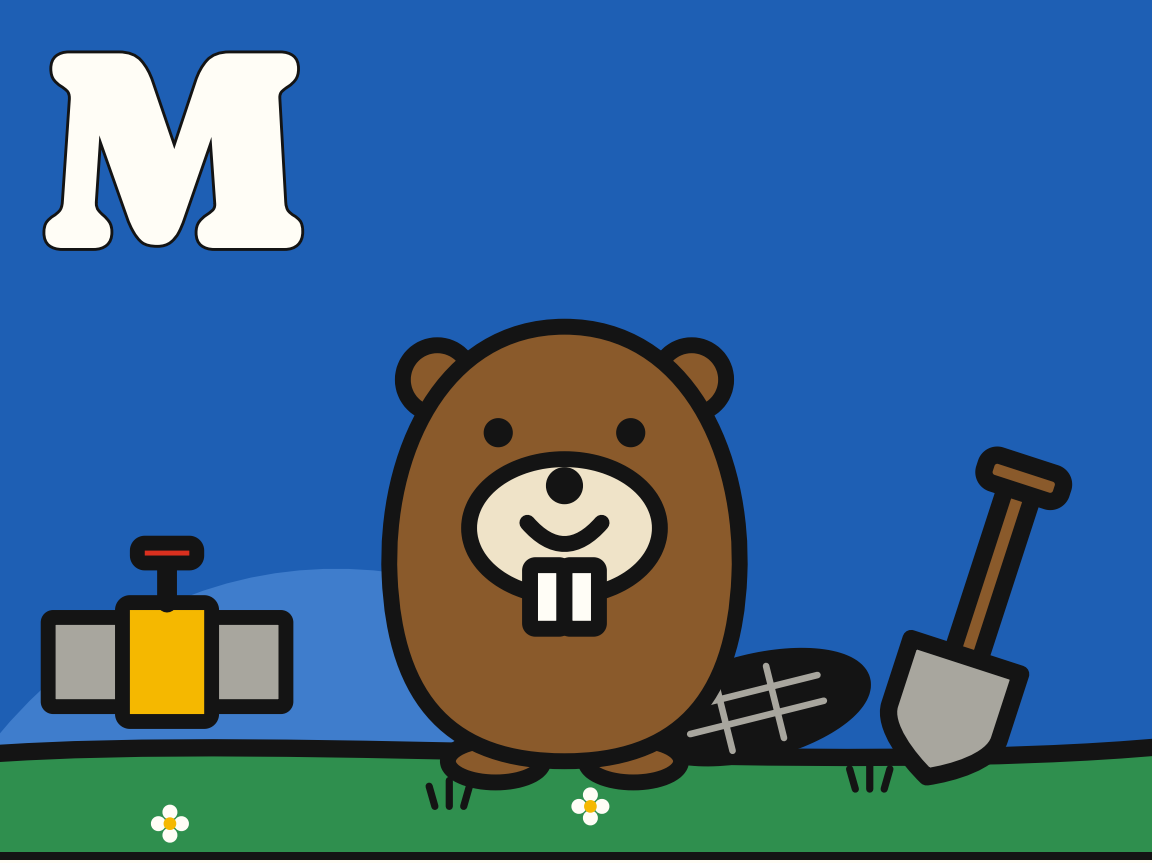
A kilowatt is a measure of electric power. A thousand watts, about what one toaster uses.

L



Long-life fund

A long-life fund is made to hold assets for decades, because bridges last a long time.



Maintenance

Maintenance is the steady work of keeping things running. Bea checks her dam every day.

N



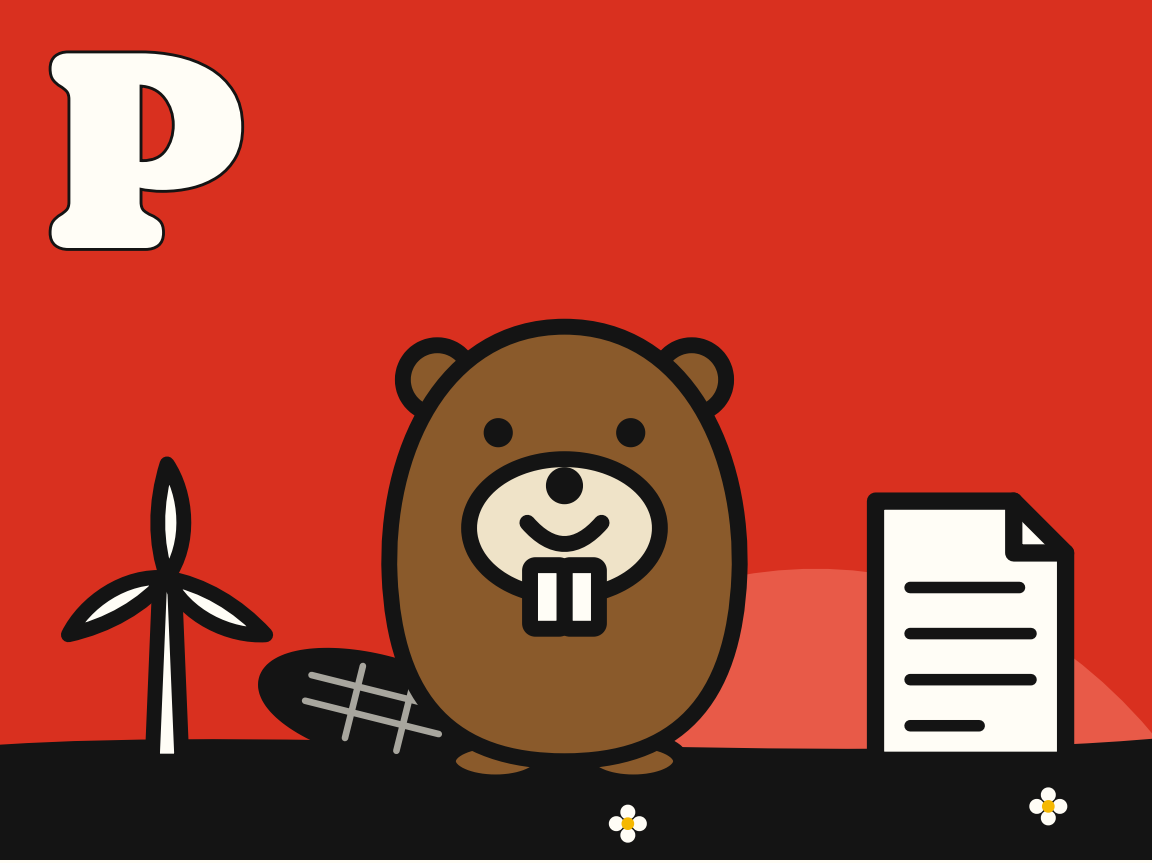
Network

Pipes, wires and towers join up into a network. Each new link can make the whole thing more useful.



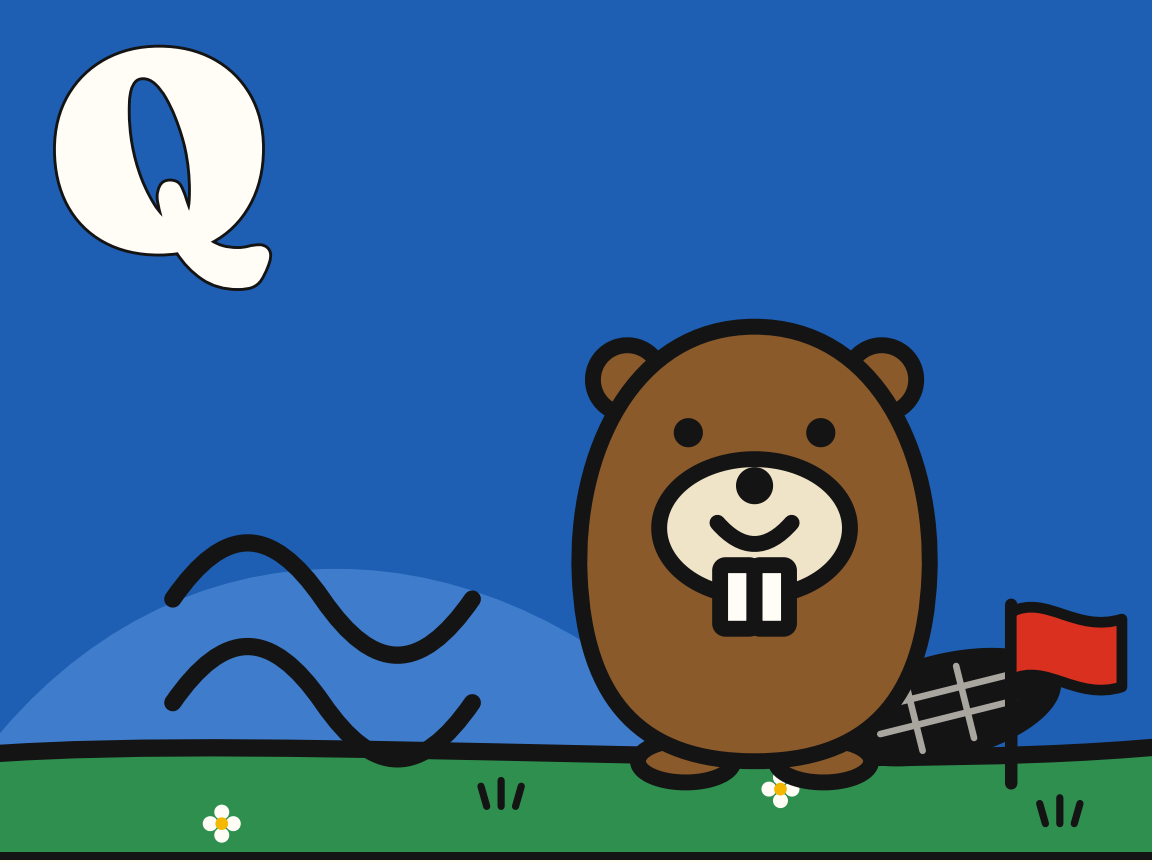
Offtake agreement

In an offtake agreement, a buyer promises in advance to buy what a project will make.



Power purchase agreement

A power purchase agreement is a long contract to buy electricity at an agreed price.



Quay

A quay is a place where ships tie up. It is spelled in a surprising way and sounds just like "key".

R



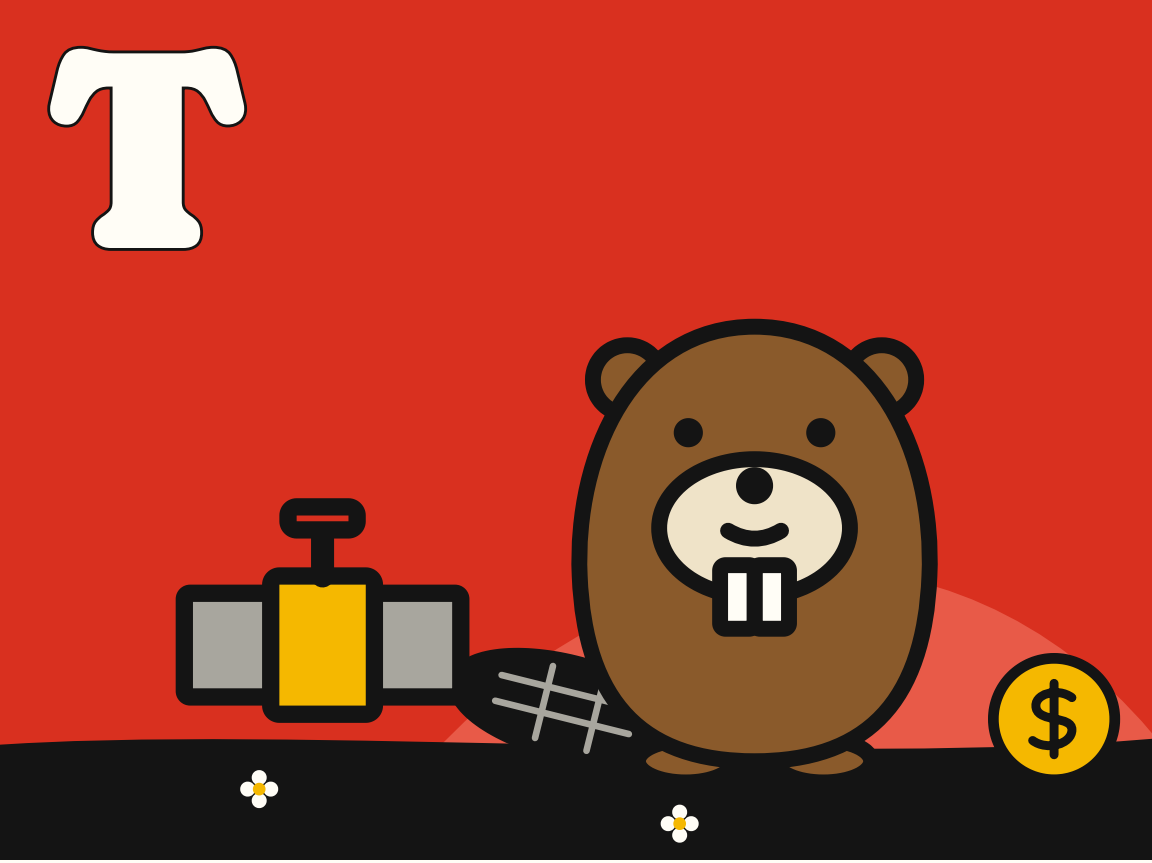
Regulated asset

A regulated asset, like a water network, has a regulator who helps set what it can charge.



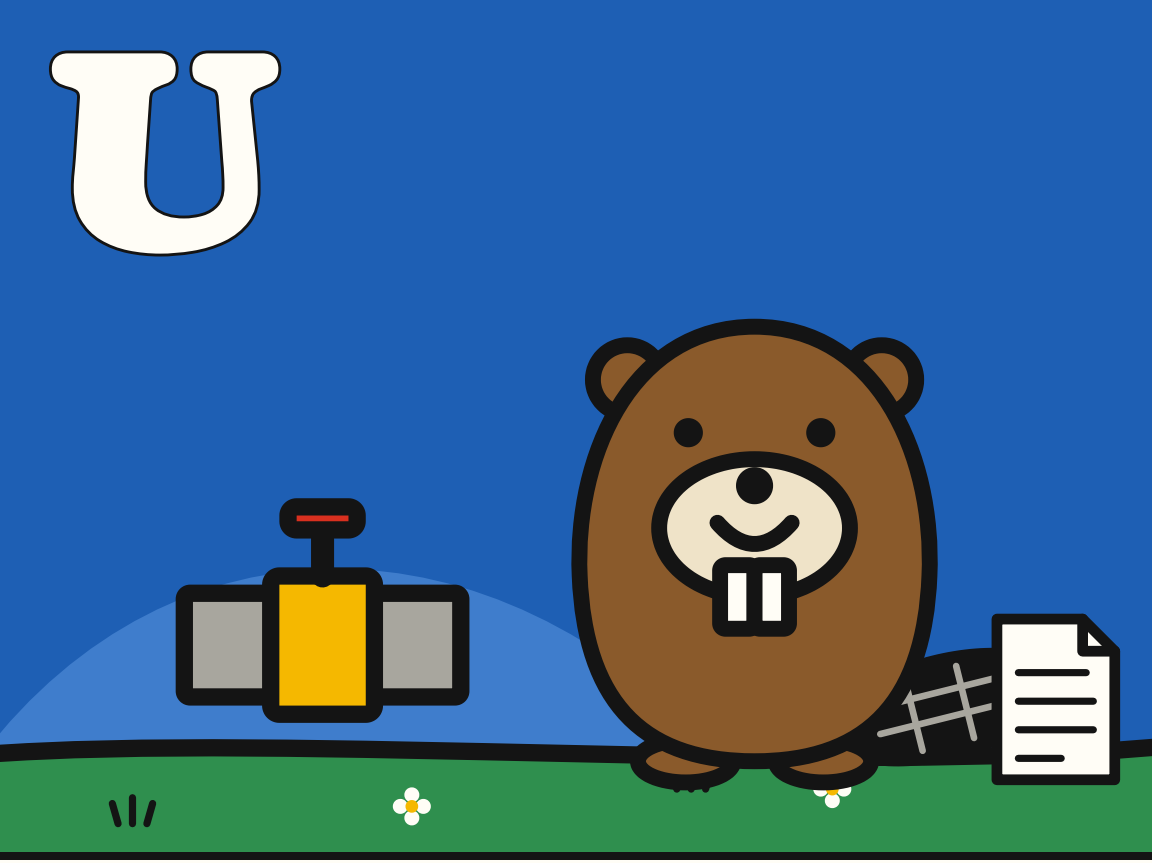
Solar

Solar panels turn sunlight into electricity. The fuel arrives every morning.



Take-or-pay

Under take-or-pay, a customer pays for an agreed amount whether they use it or not, so the owner can plan ahead.



Utility

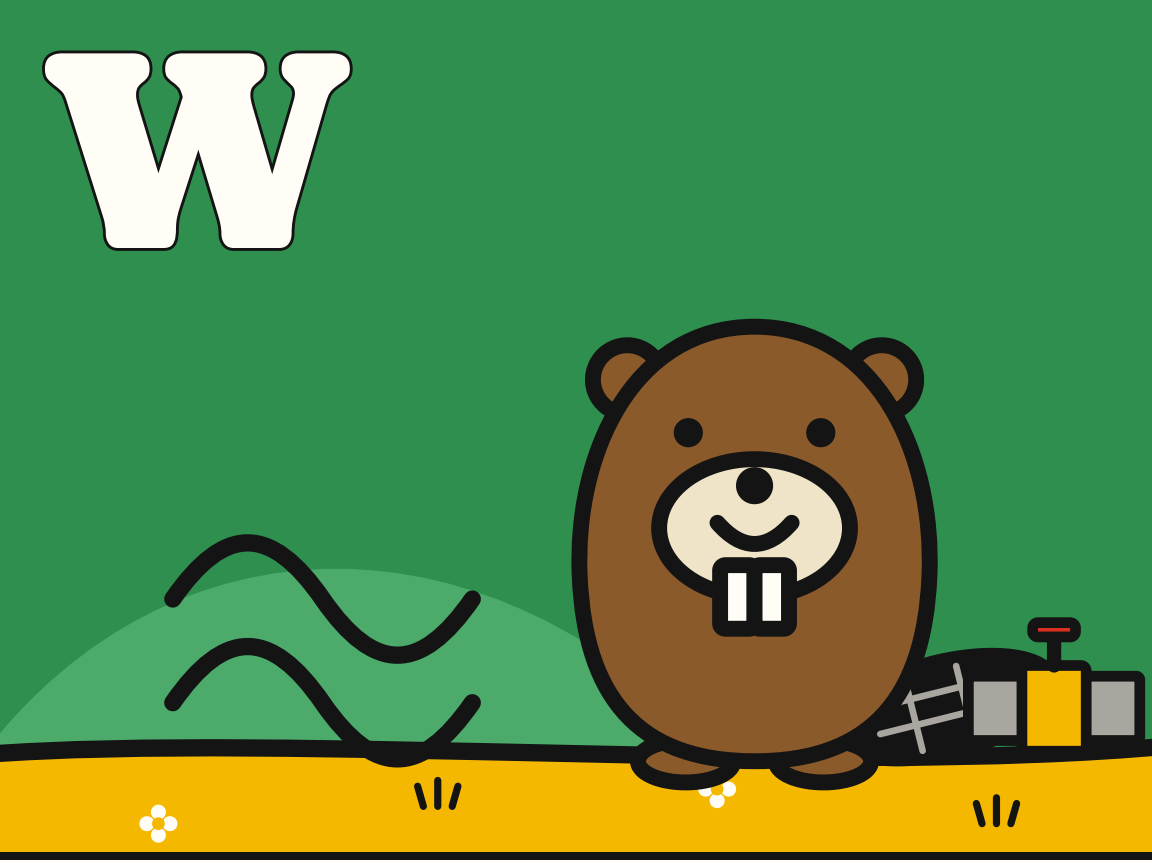
A utility brings water or power to homes, and sends a bill each month.

V



Viability gap

When a useful project cannot quite pay for itself, a government may fill the viability gap.



Water

Clean water arrives at the tap because of pipes and pumps that most people never see.

X



Cross-border

A cross-border project joins two countries, like one pipeline that crosses a line on a map.



Yield

Yield is the steady cash an asset pays out, year after year.



Zzz

The lights are on, the water runs and the bridge is open. Bea can go to sleep.



A note for grown-ups

The words in this book are real ones, explained simply. The animals and examples are made up, and real terms vary from fund to fund. It is here to help you read and talk together, and it is not advice.

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