



Dundonnell Wind Farm

Generator Licence Application

Essential Services Commission

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1 Background

1.1 This Application

Dundonnell Wind Farm Pty Ltd (DDWFPL) is applying for a licence to generate, sell and supply energy. This application is being made as required by the *Electricity Industry Act 2000* and is in accordance with the *Guidance Notes for Applications for Electricity Licences and the Transfer of Existing Electricity Licences* as published by the Essential Services Commission Victoria (the Commission) in November 2006.

1.2 Dundonnell Wind Farm

The Dundonnell Wind Farm (DDWF) is new wind farm development located 23km north-east of Mortlake in Western Victoria. The project is currently under construction and will consist of 80 Vestas V150-4.2MW wind turbines, 38km of 220kV overhead transmission line and a new substation. When fully operational, the DDWF will produce enough clean energy each year to power about 245,000 homes.

DDWFPL is a special purpose vehicle established to develop, construct and operate the Dundonnell Wind Farm. **DDWFPL and DDWF are collectively herein referred to as DDWF.**

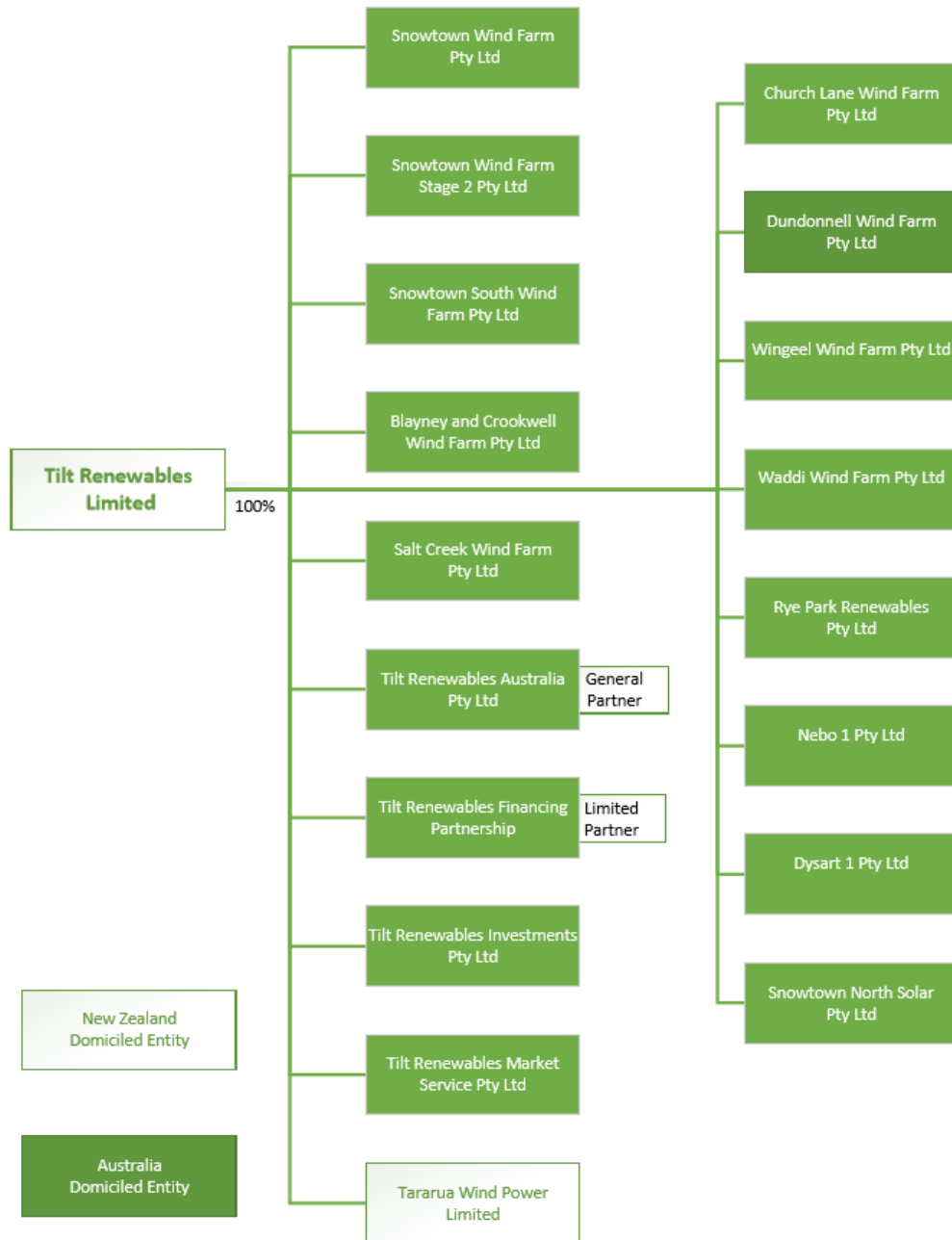
DDWF is wholly owned by Tilt Renewables Ltd (TRL), a New Zealand registered company which is dual listed on the Australian and New Zealand Stock Exchanges. Tilt Renewables Australia Pty Ltd (TRAPL), also a wholly owned subsidiary of TRL, has been engaged by DDWF as the developer of DDWF and to provide technical services to DDWF (refer to section 1.4 for more information on corporate structure)

2 Information on the applicant and nature of the application

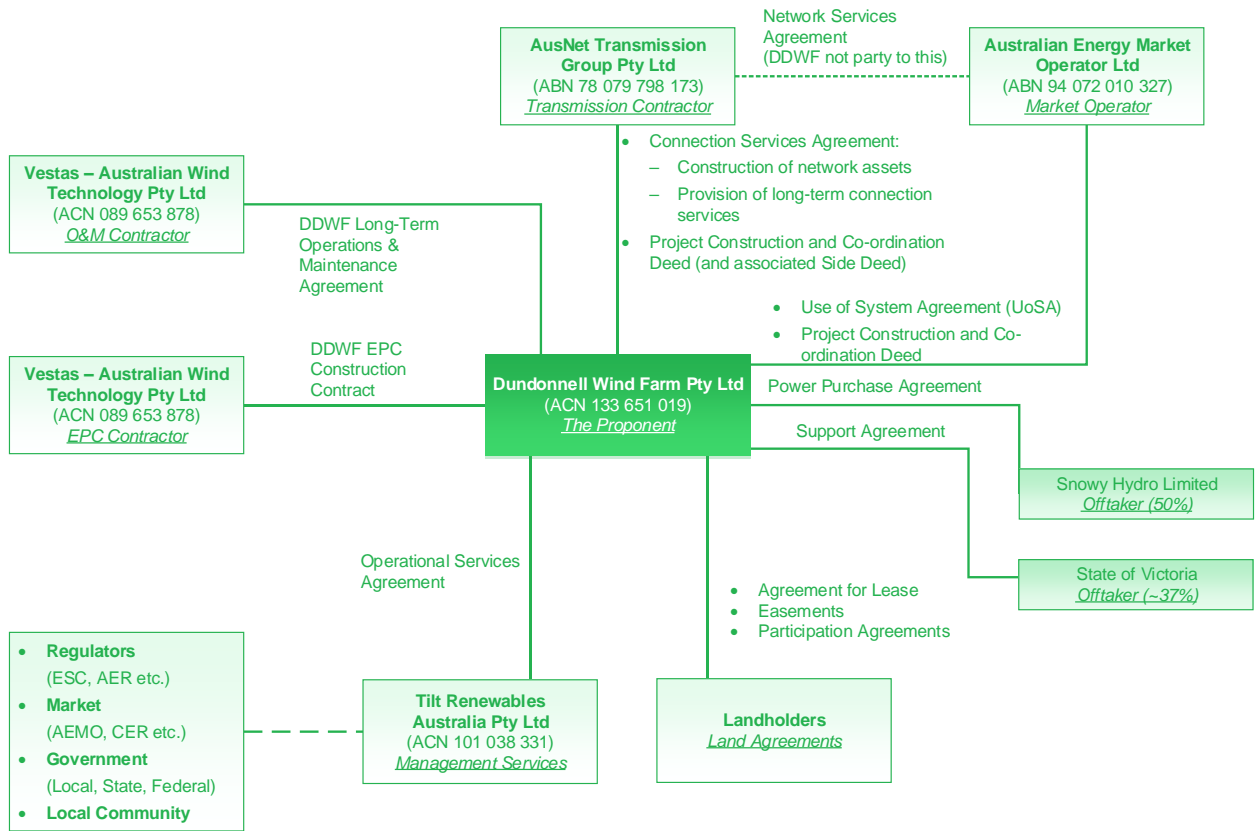
2.1 Applicant Details

Legal Name	Dundonnell Wind Farm Pty Ltd
ABN	17 133 651 019
Registered Addresses	Level 23, 535 Bourke Street, Melbourne Victoria 3000
Mail Address	PO Box 16080, Collins Street West, Melbourne Victoria 8007
Contact Person	Rick Zhang Network Connections Manager Tilt Renewables Australia Pty Ltd [REDACTED]

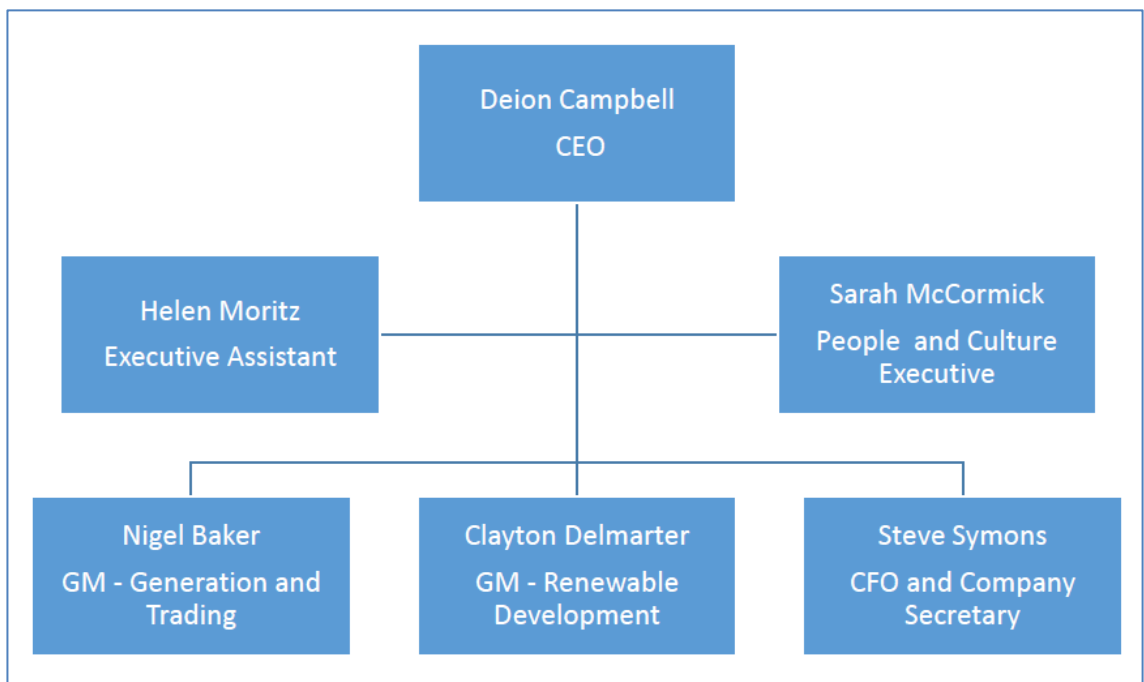
2.2 Corporate Structure



(a) Project Organisational Structure



(b) Tilt Renewables Limited Organisational Structure



The composition of the Tilt Renewables Limited board is shown below:



Bruce Harker
PhD (Elec, Eng), BE (Hons), Dist FIPENZ
Chairman

[Read Bruce's bio](#)



Geoffrey Swier
MCom (Econ)
Director

[Read Geoff's bio](#)



Anne Urlwin
BCom, FCA, ACIS, CFInstD
Director

[Read Anne's bio](#)



Vimal Vallabh
BCom, LLB, CFA IMC
Director

[Read Vimal's bio](#)



Fiona Oliver
LLB, BA
Director

[Read Fiona's bio](#)



Phillip Strachan
BCom, FCPA
Director

[Read Phillip's bio](#)



Paul Newfield
MA (Hons), MPhil
Director

The directors of DDWPL are:

- Geoffrey Swier; and
- Deion Campbell

(c) **Summary of Experience of Key Personnel**

Refer to commercial-in-confidence attachment A1 for Key Personnel Experience.

(d) **Details of Contracts and Agreements for Outsourced Services**

As the project has reached Financial Close, all key contracts have been executed and are attached as commercial-in-confidence documents in Attachments A2, A3, A4, A5, A6, A7, A8, A9 and A10. A diagrammatical representation of the contracting structure is shown above in 2.2(a).

(e) **Incorporation Details**

Dundonnell Wind Farm Pty Limited (ACN 121 087 492) was registered in the state of Victoria on 4 August 2006. The original name of the entity was Newen Dundonnell Windfarm Pty Limited, however the change of name to Dundonnell Wind Farm Pty Limited was registered with ASIC on 13th July 2007. Certificates of registration and name change are attached in commercial-in-confidence Attachment A16.

(f) **SPV Agreements**

DDWFPL is a special purpose vehicle established for the development, construction and operations of DDWF. The Tilt Renewables group is funded through bank debt facilities (including long term export credit facilities) under a Syndicated Facility Agreement (SFA) which are secured against all operating assets and material subsidiaries within the group.

As wholly-owned subsidiary of TRL, DDWF is an identified obligor and guarantor in the SFA under a Security Deed containing all material Tilt Renewables Group assets and contracts. As obligor and guarantor, DDWF has the benefit (and obligation) of the Tilt Renewables Group financial position. In circumstances where DDWF is unable to meet its obligations, it would be in the interest of the wider Tilt Renewables Group to provide DDWF with financial support, as cross default, administration, insolvency of DDWF could trigger an Event of Default under the SFA, impacting the remaining Group.

Due to this relationship with the wider Tilt Renewables Group, DDWF's financial position has limited relevance in the assessment of DDWF's financial strength. Tilt Renewables Group's management's view that TRL's financial position is a more accurate depiction of DDWF's financial capabilities.

(g) **Operational Contracts and Relationships**

As shown at section 2.1(d), DDWF has executed a long-term Operations and Maintenance Agreement with Vestas – Australian Wind Technology Pty Ltd. That contract, is attached as a commercial-in-confidence document in Attachment A10.

(h) **Details of Shareholders**

Infratil Limited

Tilt Renewables' majority shareholder, Infratil Limited (Infratil), is an ASX and NZX listed company with investments in infrastructure businesses across Australasia and the US. Although Infratil does not have a credit rating, it has a stated objective of maintaining credit metrics consistent with BBB (Investment grade) comparators and issues infrastructure bonds that are listed on the NZX. More information on Infratil can be found on their website at

www.infratil.com. As at 27 February 2019, Infratil Limited's market capitalisation was A\$2.16 billion.

Mercury NZ Limited

The other substantial shareholder, Mercury NZ Limited, is a majority government owned New Zealand generation and retail company also listed on the ASX and NZX. Mercury NZ Limited owns significant generation assets in New Zealand, producing over NZ\$300M in EBITDAF from 2,448 GWh of generation. The business maintains a long-term Standard & Poor's credit rating of BBB. More information can be found on their website at www.mercury.co.nz. As at 27 February 2019, Mercury NZ Limited's market capitalisation was A\$4.85 billion.

(i) **Details of Prosecutions**

None to our knowledge.

(j) **Details of whether DDWF is a fit and proper person to hold a licence**

To our knowledge, none of DDWF's directors have been:

- declared bankrupt or had their affairs placed under administration;
- disqualified from managing a company; or
- charged with fraud, theft or any other criminal offence.

To our knowledge, none of DDWF's directors or senior managers have been the subject of any regulatory complaints or prosecutions.

2.3 Application

(a) **Type of Licence Sought**

Electricity Generation Licence.

(b) **Date from which Licence is Sought**

4th Nov 2019

(c) **Nature and Scope of Operations for which the Licence is Sought**

DDWF will consist of 80 turbines, each rated at 4.2 MW, resulting in a nameplate rating of 336 MW. The wind farm is located approximately 250 km west of Melbourne. Financial close for the project has been achieved (Nov 2018) with construction commencing in January 2019. The electricity generated by the wind farm will be sold into the National Electricity Market and be supported by power purchase agreements (PPAs) for approximately 87% of the volume and partially by accommodating merchant risk.

The Licence is sought to cover the operation and trading of the generator as described above.

(d) **Details of Current or Former Licences Held**

DDWF has never held other licences and has never applied unsuccessfully for other licences in Victoria or other jurisdictions.

Licences are held for the following Australian projects owned by associated companies under the Tilt Renewables banner:

- Salt Creek Wind Farm Pty Ltd holds a licence with the Essential Services Commission of Victoria for Salt Creek Wind Farm.
- Snowtown Wind Farm Pty Ltd holds a licence with the Essential Services Commission of South Australia for Snowtown Stage 1 Wind Farm.
- Snowtown Wind Farm Stage 2 Pty Ltd holds a licence with the Essential Services Commission of South Australia for Snowtown Stage 2 (North) Wind Farm.
- Snowtown South Wind Farm Pty Ltd holds a licence with the Essential Services Commission of South Australia for Snowtown Stage 2 (South) Wind Farm.

Tararua Wind Power Limited owns the Tararua Wind Farms (3 stages) and Mahinerangi Wind Farm in New Zealand and holds appropriate licences for their operation.

(e) Licence Conditions

DDWF is not applying for non-standard licence conditions.

(f) Experience of Key Personnel

Refer to commercial-in-confidence attachment A1 for Key Personnel Experience.

(g) Broad Nature of Proposed Participation in the Victorian Electricity Industry

DDWF is proposed to supply energy to the Victorian electricity consumers. The energy will be generated from a renewable fuel source and the electricity will be traded through the National Electricity Market.

3 The Commission's Objectives

3.1 The Essential Services Commission Act 2001

As stated in the *Essential Services Commission Act 2001* (Vic) (the Act), section 8, the Commission's objectives are as follows:

- (1) In performing its functions and exercising its powers, the objective of the Commission is to promote the long-term interests of Victorian consumers.
- (2) Without derogating from subsection (1), in performing its functions and exercising its powers in relation to essential services, the Commission must in seeking to achieve the objective specified in subsection (1) have regard to the price, quality and reliability of essential services.

3.2 Promotion of the Long-Term Interests of Victorian Consumers

The applicant believes that the granting of this licence is consistent with the Commission's objective relating to section 8(1) of the Act. DDWF will be a financially viable generator, being developed and owned by an experienced parent company. The supply contracts and long-term operations and maintenance agreements have been entered into with major industry

organisations, ensuring long-term certainty and control of the projects costs. The energy generation and price modelling performed for the project forecasts sufficient income to ensure the project will meet its licence obligations whilst providing cost competitive energy to the Victorian consumer through PPAs and merchant energy sales. The low environmental impact of the generator will ensure that Victorians continue to have access to energy whilst minimising the negative effects of producing that energy.

3.3 Price

The inclusion of the generator in the National Electricity Market will increase the competition in Victoria. The increased competition, particularly from a generator with low short run marginal costs, is expected to keep downward pressure on the wholesale power price in Victoria.

3.4 Quality and Reliability

The generator will comply with the requirements of the Generator Performance Standards agreed with AEMO to ensure that the quality and reliability of the essential service it provides aligns with industry requirements.

The inclusion of additional generation in Victoria increases the overall energy supply reliability through the diversification of both fuel source and location of the sources of energy supply.

3.5 Efficiency Within the Industry and Incentives for Long Term Investment

The parent company has a history of developing and constructing projects that it continues to own for the long term. TRL takes a long-term view in respect of its investments. The long-term focus of the parent company and the project supports the Commissions objective of seeking long term efficiency within the industry.

3.6 Financial Viability of the Industry

The supply contract and long-term operations and maintenance agreements have been executed with major industry organisations ensuring long-term certainty and control of the projects costs. The energy generation and price modelling performed for the project forecasts sufficient income from PPAs and merchant energy sales to ensure the project will meet its licence obligations whilst providing cost competitive energy to the Victorian consumer into the long term. The project's economic viability supports the Commissions objective of ensuring the financial viability of the industry.

3.7 Degree of Competition within the Industry, Including Countervailing Market Power and Information Asymmetries

The introduction of a new electricity generator into Victoria increases competition in the industry supporting the Commission's objective with expected downwards pressure on pool prices.

3.8 Relevant Health, Safety, Environmental and Social Legislation Applying to the Industry

The construction and operations of the project will be in accordance with all relevant health, safety, environment and social legislation ensuring the project meets the Commission's objective.

3.9 Benefits and Costs of Regulation for Consumers and Users (including Low Income and Vulnerable Consumers) and Regulated Entities

The project will comply with its regulated requirements and will work with associated regulated bodies to ensure it does not cause them to breach regulations. This will ensure that the project meets the Commission's objective and supports others to do so also.

3.10 Consistency in Regulation Between States and on a National Basis

The project has followed processes to ensure it meets the requirement of Victorian regulatory bodies. The project would have been successful in demonstrating regulatory compliance (with some regional variations) in other jurisdictions. The project believes the Commission would be acting consistently with other jurisdictions in granting the licence to DDWF.

3.11 Matters Specified in the Empower Instrument

The Empowering Instrument for the Act is the *Electricity Industry Act 2000 (Vic)* (the EI Act). Section 10 of the EI Act state the Objectives of the Commission to be:

- (a) to the extent that it is efficient and practicable to do so, to promote a consistent regulatory approach between the electricity industry and the gas industry; and
- (b) to promote the development of full retail competition; and
- (c) to promote protections for customers, including in relation to assisting customers who are facing payment difficulties.

The granting of the licence for the project is consistent with the equivalent process in the gas industry.

The proponent notes that competition in the wholesale generation market allows retailers a wider choice of energy suppliers, facilitating full retail competition.

The proponent and the project are at arm's length from the consumer, so customer protections are not relevant for this licence application.

4 Information on Financial Viability

4.1 Statement of Financial Viability

DDWF is a wholly owned subsidiary of TRL a NZX/ASX listed business with a portfolio of operating renewable energy assets generating in excess of A\$170M . Due to the corporate debt financing arrangements in place, outlined in section 2.2(f), TRL's management's view that TRL's financial position is a more accurate depiction of DDWF's financial capabilities. DDWF is

also a party to a Deed of Cross-Guarantee, such that the obligations of DDWF are required to be met by the other parties in the event of liquidation of DDWF. TRL is backed by strong shareholders, with its 2 largest shareholders Infratil Limited and Mercury NZ Limited together owning 85.3% of the business. These two shareholders in their own right have significant financial resources (an aggregate market capitalisation of A\$7 billion per their separate listings on the ASX/NZX) and have invested in the equity raise which occurred in February 2019 to support the construction and operations of DDWF.

The DDWF project is fully funded from a combination of the A\$300M debt facilities that had all conditions precedent met on 14 November 2018 and the NZ\$274M equity raise launched by TRL on 20 February 2019. With these committed and fully underwritten transactions launched, DDWF has access to sufficient financial resources to sustain a viable business in the electricity industry.

The 2018 group accounts for TRL (and subsidiaries) and 2019 interim accounts are available on Tilt Renewables' website:

<https://www.tiltrenewables.com/investors-landowners/>, which links to the annual report: https://issuu.com/tiltrenewables/docs/tilt13385_annual_report_21_web?e=33840407/62726998.

4.2 Current balance sheet and financial data

DDWF is a legal entity created for the construction of the wind farm. As DDWF is a 100% owned subsidiary of TRL and is party to a deed of cross guarantee, there are not standalone financial accounts for DDWF.

Balance sheet and financial data for TRL (the ultimate holding company of the group) have been included as part of this application per section 4.1.

Financial forecast information for DDWF are also provided in the Business Plan, included as commercial-in-confidence attachment A15.

4.3 Significant contracts

As part of the financial close for the project, DDWF has executed a number of contracts and associated deeds and guarantees. The following final form contracts for the construction and operations of the wind farm are provided as commercial-in-confidence:

- Use of System Agreement with AEMO (commercial-in-confidence attachment A06)
- Engineer, Procure and Construct Contract with Vestas (commercial-in-confidence attachment A04)
- Warranty Operation & Maintenance Contract with Vestas (commercial-in-confidence attachment A10)
- Connection Services Agreement with AusNet Services (commercial-in-confidence attachment A05)
- Project Construction and Coordination Deed with AEMO, AusNet services (commercial-in-confidence attachment A07)
- AusNet Services Side Deed for Mortlake Terminal Station and Interface (Dundonnell Wind Farm) (commercial-in-confidence attachment A08)

4.4 Annual report

As of 30 June 2017, DDWF had entered into a Deed of Cross Guarantee with TRL which removes the requirement for the preparation of separate financial statements. It is therefore recommended that the Commission refers to the 2018 Annual Report for TRL which is available on the Tilt Renewables website at <https://www.tiltrenewables.com/investors-landowners/>, which links to the annual report: https://issuu.com/tiltrenewables/docs/tilt13385_annual_report_21_web?e=33840407/62726998.

The Interim Report for TRL with audit reviewed financial statements for the half year ending 30 September 2018 are also available on the Tilt Renewables' website at: https://www.tiltrenewables.com/documents/246/Tilt_Renewables_September_2018_Interim_Report_63V2dv2.pdf.

4.5 Credit rating

Neither DDWF nor its parent, TRL, has a public credit rating.

4.6 Statements from internal/external auditors

As a wholly-owned subsidiary of TRL, the financials of DDWF are included in the scope of the year-end audit for financial year ending 31 March 2018 and the most recent half year review (six months to 30 September 2018), both to be performed by PricewaterhouseCoopers.

The first reporting period where DDWF will have material work in progress or asset balances will be at the full year period ended 31 March 2019 which will be released publicly in May 2019.

4.7 Statements from consultants

As part of the due diligence undertaken for the financial investment decision, the following technical consultant reports were prepared:

- Technical and Environmental Due Diligence of Dundonnell Wind Farm prepared by DNV GL (commercial-in-confidence attachment A26)
- Legal Due Diligence Report – Dundonnell Wind Farm prepared by Hebert Smith Freehills (HSF) (commercial-in-confidence attachment A34)
- Marginal Loss Factor Assessment prepared by EY (commercial-in-confidence attachment A27)
- Power system studies report prepared by Vestas (commercial-in-confidence attachment A30)

4.8 Statement of assets and liabilities

As of 30 June 2017, DDWF had entered into a Deed of Cross Guarantee with TRL which removes the requirement for the preparation of separate financial statements. Balance sheet and financial data for TRL (the ultimate holding company of the group) have been included as part of this application per section 4.1.

4.9 Shareholder register

DDWF is 100% owned by TRL which is listed on the ASX/NZX. The significant shareholders of TRL, being Infratil Limited and Mercury NZ Limited, are summarised in section 2.2(h).

A full breakdown of top 20 shareholder of TRL as of 18 February 2019 is shown below:

Top 20 shareholders as at 18 February 2019	Holding	Percentage
INFRATIL LIMITED	204,498,191	65.34
MERCURY NZ LIMITED	62,563,302	19.99
ACCIDENT COMPENSATION CORPORATION - NZCSD	5,233,085	1.67
TEA CUSTODIANS LIMITED CLIENT PROPERTY TRUST ACCOUNT - NZCSD	3,924,087	1.25
GENERATE KIWISAVER PUBLIC TRUST NOMINEES LIMITED <NZCSD>	3,072,863	0.98
CUSTODIAL SERVICES LIMITED <A/C 1>	2,907,915	0.93
NEW ZEALAND PERMANENT TRUSTEES LIMITED - NZCSD	2,225,729	0.71
FNZ CUSTODIANS LIMITED	1,909,290	0.61
CITIBANK NOMINEES (NEW ZEALAND) LIMITED - NZCSD	860,167	0.27
FORSYTH BARR CUSTODIANS LIMITED	699,285	0.22
JPMORGAN CHASE BANK NA NZ BRANCH-SEGREGATED CLIENTS ACCT - NZCSD	646,655	0.21
FNZ CUSTODIANS LIMITED <DTA NON RESIDENT A/C>	366,316	0.12
JBWERE (NZ) NOMINEES LIMITED <NZ RESIDENT A/C>	352,070	0.11
PUBLIC TRUST CLASS 10 NOMINEES LIMITED - NZCSD	243,625	0.08
INVESTMENT CUSTODIAL SERVICES LIMITED <990042052>	200,000	0.06
CUSTODIAL SERVICES LIMITED <A/C 3>	190,081	0.06
FORSYTH BARR CUSTODIANS LIMITED <A/C 1 NRLAIL>	168,937	0.05
CUSTODIAL SERVICES LIMITED <A/C 2>	150,555	0.05
MACLAGEN PTY LIMITED <SWIER FAMILY A/C>	113,083	0.04
ATT INVESTMENTS LIMITED	107,616	0.03
Top 20 shareholders	290,432,852	92.80
Total remaining shareholders balance	22,540,148	7.20

It should be noted that on 20 February 2019, TRL launched a pro-rata equity raise. Based on the equity commitments from the largest two shareholders of TRL, it is not expected that the percentage shareholding of these two parties to change materially from what is shown above however the number of shares on issue will increase by approximately 156 million shares.

4.10 Certificate of registration

DDWF was registered in Victoria as a company on 10 October 2008. ACN registration number is 133 651 019 as outlined in section 2.2(e). The certificate of registration is provided in commercial-in-confidence Attachment A16.

4.11 Statements from banks and TRL Board

DDWF finalised debt and equity arrangements for the construction funding for the Wind Farm upon financial close on 14 November 2018.

Documents detailing these debt arrangements are provided in commercial-in-confidence attachments A12 and A13. The DDWF Financial Investment Decision was approved by the Tilt

Renewables Board (including DDWF Directors) on 30 October 2018 and key contracts were executed in the lead up to financial close on 14 November 2018. A copy of the NZX/ASX announcement confirming the Final Investment Decision for DDWF released on 14 November 2018 is included in commercial-in-confidence attachment A18.

4.12 Guarantees

DDWF has secured all the bank guarantee facilities with commercial lenders to provide necessary security for the construction of the Wind Farm and associated connection infrastructure. The EPC consortium and O&M also will also be required to provide some guarantees to DDWF.

4.13 Australian Financial Services Licence

DDWF intends to sell its electricity into the National Electricity Market, and the Wind Farm has secured financial contracts for approximately 87% of the electricity and large-scale generation certificates produced from the facility. For any contracts that require an Australian Financial Services Licence, DDWF will procure services from Tilt Australian Market Services Limited (AFSL number 419007).

4.14 Assurance of sufficient financial resources

DDWF assures the commission that it has sufficient financial resources to sustain its operations including meeting all prudential requirements set by AEMO and/or transmission network service operators and ESC licence conditions.

In addition to the statements made above regarding the financial position of TRL and its subsidiaries, a business plan and accompanying financial model are attached in commercial-in-confidence attachments A15 and A17 respectively to support the applicant's assurance.

4.15 Corporate governance

TRL has a number of internal controls, policies and procedures in place including:

- Risk management policies
- Governance policies
- Complaints register and procedures
- Privacy statements
- Document retention policies

Key governance documents can be found on the Tilt Renewables website at <https://www.tiltrenewables.com/investors-landowners/governance-documents/>, and in commercial-in-confidence attachments A19 to A24.

4.16 Credit support arrangements

DDWF and TRL have the necessary credit support facilities to provide for credit support requirements during the construction and operation of the Wind Farm. This credit support is required for the VRET Support Agreement, the Snowy Hydro PPA and for the network connection arrangements.

4.17 Business Plan

The financial viability for the underlying investment in DDWF is supported by the Business Plan attached in commercial-in-confidence attachment A15.

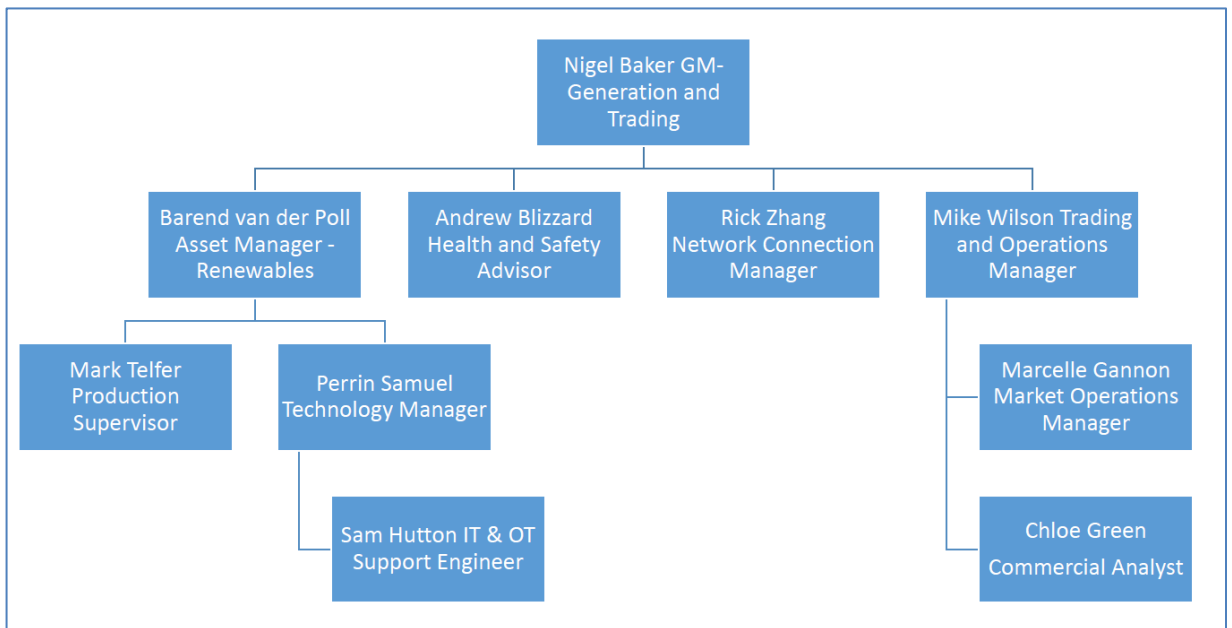
The financial model supporting the forecasts included in the Business Plan is included in commercial-in-confidence attachment A17.

5 Information on technical capacity

5.1 General

(a) Organisational chart of key personnel

An organisational chart showing the business capability is included in section 2.2(b). The operational and technical capability is demonstrated in the following organisational chart. A summary of the experience of the key personnel is included in commercial-in-confidence attachment A1.



(b) Contracts with external service providers

Section 2.2(d) details the contracts and agreements for outsourced services

(c) Statements from industry bodies and regulators

This project has received all required planning permits and environmental approvals from the relevant regulators to construct the generator. Refer to section 5.2(f) for the details on those statements of approval.

(d) Internal controls, policies and procedures

Section 4.15 discusses policies and procedures guiding the operation of TRL. DDWF will be operated in accordance with those controls, policies and procedures. The following are additional internal policies that are relevant to the technical capacity:

- Health and Safety Policy (commercial-in-confidence attachment A19)
- Issue Resolution Policy (commercial-in-confidence attachment A20)
- Lone Work Policy (commercial-in-confidence attachment A21)
- Fitness for Work Policy (commercial-in-confidence attachment A22)
- Drug Alcohol and Impairment in the Workplace Policy (commercial-in-confidence attachment A23)

(e) Business model/plans

The business plan is included as commercial-in-confidence attachment A15.

(f) Risk management policies

DDWF will operate based on TRL's risk management policies. The Risk Management Policy is included as commercial-in-confidence attachment A24. Additionally, the risk identification for the project is shown in commercial-in-confidence attachment A32.

(g) Governance Policies

Governance policies are discussed in section 4.15.

(h) References for key personnel

References for key personnel can be found in commercial-in-confidence attachment A1.

(i) Compliance

The Compliance Register is included as commercial-in-confidence attachment A31. It lists the market operations compliance requirements and the relevant personnel responsible for them.

(j) Australian Financial Services Licence

Arrangements for an AFSL is discussed in section 4.13.

(k) Complaints register and procedures

The Complaints Procedures are publicly available at the following website.

<https://www.tiltrenewables.com/investors-landowners/governance-documents/>

(l) Privacy statements

DDWF does not have direct contact or billing interactions with consumers in Victoria. Privacy and confidentiality arrangements with other parties with which DDWF interacts are incorporated into the commercial agreements defining those interactions.

DDWF will comply with all relevant requirements under the *Privacy Act 1988*.

(m) Document retention policies

DDWF retains documents in its document management system for durations that meet or exceed the statutory retention periods.

(n) **Industry submissions supporting the application**

The project was successful under the Victorian Governments Victorian Renewable Energy Auction Scheme (VREAS), being awarded a Support Agreement by the State in August 2018, underpinning the financing and investment certainty required for the project. DDWF is the largest of the successful VRET projects. This offtake covers approximately 37% of the turbines or project output. The VRET Support Agreement is provided as a commercial-in-confidence attachment A35.

Since this time, it has secured another offtake with Snowy Hydro Ltd, entered into all key construction, network connection and operation and maintenance agreements, achieving Financial Close in November 2018. This offtake covers 50% of the turbines. The Snowy Hydro PPA, which includes the ISDA Master Agreement, Schedule, Electricity Confirmation and Green Confirmation is provided as commercial-in-confidence attachments at A36 a to A36 d.

5.2 Information in support of a generation licence application

(a) **Details of experience in and knowledge of the electricity industry**

DDWF has a services agreement between itself and TRAPL (commercial-in-confidence attachment A2), such that TRAPL provides experience and knowledge of the electricity industry to DDWF. Tilt Renewables owns and operates a wind generation portfolio with an installed capacity of 636MW, representing a significant market share by installed wind capacity in Australasia. TRAPL's installed capacity is made up of 322 operating turbines across eight wind farms and includes both Australia's second largest, and New Zealand's largest wind farms. The latest generator in the TRAPL fleet is the 54MW Salt Creek Wind Farm, constructed in Victoria and energised in June 2018. Tilt Renewables has significant, on-going participation in the electricity industry and will lend that experience to DDWF.

(b) **A summary of the skills and experience of the directors and senior managers and their relevance to meeting the requirements of the licence**

Sections 2.2(b) and 2.2(c) show the Tilt Renewables organisational structure and a summary of the key personnel's experience. The senior management team of Tilt Renewables has proven capability and a focus on renewable energy generation. The team has relevant experience in the development, construction and operations of generation plant that will be applied to DDWF.

(c) **Evidence that the applicant has the capacity to comply with the licence conditions, codes and guidelines relevant to its application**

The Key Personnel Experience detailed in commercial-in-confidence attachment A1 shows the relevance and breadth of experience of the team responsible for DDWF. DDWF has access to resources to ensure it complies with the licence conditions, codes and guidelines relevant to this application.

(d) **Evidence of any interactions or preliminary registration with AEMO**

DDWF is registered as an Intending Participant with AEMO. The registration document is included in commercial-in-confidence attachment A25. All key network connection agreements have been executed and these are included in commercial-in-confidence attachments A5, A6 and A7. A copy of AEMO's acceptance of the Generator Performance

Standards and system strength remediation requirements under parts 5.3.4A and 5.3.4B of the National Electricity Rules (NER) is included in commercial-in-confidence attachment A33.

(e) Relationships between supporting organisations

Section 2.2(d) shows the contractual relationships between the supporting organisations and DDWF. Additionally, section 2.2(f) describes the SPV arrangement between Tilt Renewables and DDWF. Section 2.2(g) describes the operational arrangements for DDWF.

(f) Confirmation that all planning and environmental approvals have been completed

All necessary planning and environmental approvals for the DDWF have been obtained. This includes required approvals for the wind farm and the transmission infrastructure.

DDWF has a live planning permit (Planning Permit No. 2015/23858) for the wind farm issued by the Minister for Planning on 30 June 2016. Planning permits have also been obtained for associated transmission infrastructure including the transmission line (Planning Permit No. PL15/075) and off-site substation (Planning Permit No. PL17/224).

Additionally, the wind farm (as well its associated infrastructure) has been approved under the *Environment Protection and Biodiversity Conservation Act 1999*, whilst Cultural Heritage Management Plan has been prepared and approved (CHMP No. 12393 and CHMP No. 12394) under the *Aboriginal Heritage Act 2006*.

The approvals require a number of management plans and secondary consents to be prepared and endorsed (by the Minister for Planning, Council or the Department of Environment and Energy, as relevant) prior to the commencement of construction. These secondary consents and approvals have all been obtained, and construction under both the wind farm and transmission line contracts has commenced.

The planning permits and environmental approvals can be found on Tilt Renewables' website at <https://www.tiltrenewables.com/assets-and-projects/Dundonnell-Wind-Farm/>.

(g) Risk, governance and compliance management and strategies

Tilt Renewables has a number of public policies and procedures in place including:

- Risk management policies
- Governance policies
- Complaints register and procedures
- Privacy statements
- Document retention policies

Key governance documents can be found on the Tilt Renewables website at <https://www.tiltrenewables.com/investors-landowners/governance-documents/>.

For the project construction phase, a Project Execution Plan has been developed (commercial-in-confidence attachment A11).

(h) Evidence that demonstrates that the entity can successfully operate a business within the electricity industry

TRL as the owner of DDWF has a solid track record of successfully operating businesses within the electricity industry. TRL holds a significant share of the installed wind capacity in

Australasia. The annual report (refer to section 4.4) and auditors' statements (section 4.6) provide evidence of this success.

(i) **Confirmation that there are no cross-ownership issues arising under the provisions of Part 3 of the EI Act – Cross Ownership**

DDWF understands that the relevant sections of the EI Act (24, 32 and 33) have been repealed.

(j) **Evidence that contact has been made with Energy Safe Victoria (ESV)**

Vestas, who is Tilt Renewables' EPC contractor, is responsible under the EPC contract for satisfying ESV requirements. A booking with licensed Inspector from ESV was confirmed on Feb – Mar 2020 (detail date is subject to site construction progress). The detail of the booking confirmation and the licensed inspector's qualifications are attached in A39.

6 List of Attachments

The attachments listed below marked as commercial-in-confidence are not to be released to the public. That information is commercially sensitive and/or confidential and its release would be injurious to the project, DDWF and other involved parties.

The Essential Services Commission is not to release these documents to third parties without the prior written consent of DDWF.

- A1 Experience of Key Personnel (commercial-in-confidence)
- A2 Operational Services Agreement (commercial-in-confidence)
- A3 Construction and Operations Commitment Deed Poll (commercial-in-confidence)
- A4 Wind Farm Construction Contract (commercial-in-confidence)
- A5 Connection Services Agreement (commercial-in-confidence)
- A6 Use of System Agreement (commercial-in-confidence)
- A7 Project Construction and Co-ordination Deed (commercial-in-confidence)
- A8 Side Deed (commercial-in-confidence)
- A9 Land Agreements (A9 a - A9 n) (commercial-in-confidence)
- A10 Wind Farm Operations and Maintenance Agreement (commercial-in-confidence)
- A11 Dundonnell Project Execution Plan (commercial-in-confidence)
- A12 Debt Facility – Dundonnell Syndicated Facility Agreement (commercial-in-confidence)
- A13 Debt Facility – Common Terms Deed Poll (commercial-in-confidence)
- A14 [Not used]
- A15 Dundonnell Wind Farm Pty Ltd Business Plan (commercial-in-confidence)
- A16 Certificate of Registration as a Company (commercial-in-confidence)
- A17 Dundonnell Wind Farm Financial Model (commercial-in-confidence)

- A18 NZX and ASX Announcement – Dundonnell Wind Farm
- A19 Health and Safety Policy (commercial-in-confidence)
- A20 Issue Resolution Policy (commercial-in-confidence)
- A21 Lone Work Policy (commercial-in-confidence)
- A22 Fitness for Work Policy (commercial-in-confidence)
- A23 Drug Alcohol and Impairment in the Workplace Policy (commercial-in-confidence)
- A24 Risk Management Policy (commercial-in-confidence)
- A25 Intending Participant Registration (commercial-in-confidence)
- A26 Wind Energy Assessment (commercial-in-confidence)
- A27 Marginal Loss Factor Assessment (commercial-in-confidence)
- A28 [Not used]
- A29 [Not used]
- A30 Vestas Power System Studies (commercial-in-confidence)
- A31 Market Operations Compliance Register (commercial-in-confidence)
- A32 Risk Management Register (commercial-in-confidence)
- A33 AEMO Acceptance of Generator Performance and System Strength Letter (commercial-in-confidence)
- A34 Legal Due Diligence (commercial-in-confidence)
- A35 VRET Support Agreement (commercial-in-confidence)
- A36 Snowy Hydro PPA (A36 a - A36 d) (commercial-in-confidence)
- A37 Evidence of ESV inspections