



ESC GENERATION
AUTHORITY APPLICATION –
GANNAWARRA SOLAR FARM
PTY LTD

Public submission

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1 INTRODUCTION

Gannawarra Solar farm Pty Ltd (**GSF Pty Ltd** or **Applicant**) is applying for a licence to generate, sell and supply electricity from its Gannawarra Solar Farm (**GSF**).

GSF is a 59.7 MWp DC (55 MW AC with maximum connection capacity of 50 MW AC) single axis tracking project located west of Kerang in north-west Victoria. It consists of tier 1 equipment:

- 22 SMA 2.5MW inverters¹,
- 170,636 JA Solar² 350/355 Wp modules; and
- a single axis tracking system by Array Technologies, Inc.³

GSF Pty Ltd appointed RCR O'Donnell Griffin Pty Ltd⁴ (**RCR**) to construct the solar farm and its associated substation under a fully wrapped Engineering, Construction and Procurement Contract.⁵

GSF is GSF Pty Ltd's principal asset and carries on no other business. GSF Pty Ltd is ultimately majority owned by Wirsol GmbH as to 94.9% (**Wirsol**)⁶, with a minority (5.1%) shareholding retained by Edify Energy Pty Ltd (**Edify**).

GSF was financed as part of a portfolio of three solar farms (the other 2 being the Whitsunday and Hamilton Solar Farms in Queensland) (**Portfolio**) that achieved financial close on 10 March 2017.⁷ Construction commenced on site in June 2017. GSF Pty Ltd expects the solar farm to be generating electricity by March 2018.

The capital to fully fund the construction of the Gannawarra Solar Farm was provided by Wirsol⁸ and a club of three lenders being:⁹

- Commonwealth Bank of Australia (**CBA**);¹⁰
- Norddeutsche Landesbank (**NordLB**); and

¹ SMA are a leading supplier of utility scale solar farm inverters globally. See <https://www.sma.de/en.html>

² JA Solar is one of the world's largest manufacturers of solar power products. See <http://www.jasolar.com/>

³ Array Technologies, Inc is a leading supplier of solar tracking systems. See <http://www.arraytechinc.com/>

⁴ See <https://www.rcrtom.com.au/>

⁵ See <https://www.rcrtom.com.au/media/1368/rcr-awarded-80m-contract-for-gannawarra-solar-farm.pdf>

⁶ See <https://wirsol.com/en/>

⁷ See <http://edifyenergy.com/edify-wirsol-solar-financing/>

⁸ See <https://wirsol.com/en/wirsol-energy-and-edify-energy-complete-landmark-380m-solar-financing-in-australia-wirsol-energy-opens-office-and-registered-entity-in-sydney-australia/>

⁹ Note ARENA provided the Whitsunday Solar Farm with up to \$9.5m of grant funding (see <http://arena.gov.au/funding/programs/advancing-renewables-program/large-scale-solar-photovoltaics-competitive-round/>) and Whitsunday Solar Farm undertook to provide Knowledge Sharing to ARENA in respect of the Portfolio).

¹⁰ See <https://www.commbank.com.au/guidance/newsroom/CBA-supports-large-scale-solar-farms-in-australia-201703.html?ei=list-view>

- Clean Energy Finance Corporation (**CEFC**).¹¹

All output (electricity and large-scale generation certificates (**LGCs**) from the GSF until the end of 2030 will be sold under a Power Purchase Agreement (**PPA**) with EnergyAustralia.¹²

RCR will undertake all operations and maintenance activities of the solar farm for at least the first two years of operation.

GSF Pty Ltd has entered into a Generator Deed and Generator Connection and Access Agreement with Powercor governing the grid connection work and the operation of the solar farm.

GSF has completed the process of negotiating a Generator Performance Standard (**GPS**) with AEMO and received a 5.3.4A letter from AEMO at the time of executing the connection agreement with Powercor.¹³ With the completion of the final design GSF has submitted final documentation demonstrating compliance with the requirements around reliability and quality of supply as detailed in the National Electricity Rules.

Edify has been appointed as the manager of the GSF under a long-term Asset Management Agreement to provide general asset management services, including in relation to general project management, energy market activities and financial management services. Edify is providing similar Asset Management services to a number of other solar farms, including the following solar farms in Queensland:

- 69 MWp Whitsunday Solar Farm;
- 69 MWp Hamilton Solar Farm;
- 180 MWp Daydream Solar Farm; and
- 60 MWp Hayman Solar Farm.

Edify is very familiar with GSF as it co-developed the project and negotiated all of the project documents to which GSF Pty Ltd is a party.

As part of the development, design and financing of GSF and its associated grid works extensive technical support and advice was provided by, and due diligence undertaken by DlgSILENT Pacific Pty Ltd¹⁴ and RINA SERVICES S.p.A.¹⁵.

2 INFORMATION ON APPLICANT AND NATURE OF THE APPLICATION

2.1 APPLICANT INFORMATION

Name of the applicant	Gannawarra Solar Farm Pty Ltd, ACN 615 736 895
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¹¹ See [https://www.cefc.com.au/media/files/cefc-announces-next-wave-of-large-scale-solar-finance,-with-\\$77m-for-projects-in-queensland-and-victoria.aspx](https://www.cefc.com.au/media/files/cefc-announces-next-wave-of-large-scale-solar-finance,-with-$77m-for-projects-in-queensland-and-victoria.aspx)

¹² <https://www.energyaustralia.com.au/about-us/media/news/energyaustralia-underpin-victorias-first-commercial-solar-farm>

¹³ See Attachment 5

¹⁴ See <https://www.digsilent.com.au/>

¹⁵ See <http://www.rina.org>

Name of the project	Gannawarra Solar Farm
ABN	33 615 736 895
Registered / Postal Address	Level 1, 34-35 South Steyne, Manly, NSW, 2095
Contact person	Iain Pople, iain.pople@edifyenergy.com , 0476 826 992
Incorporation Details	GSF Pty Ltd (formerly GSF HoldCo Pty Ltd) was incorporated on 4 th November 2016. ¹⁶ .

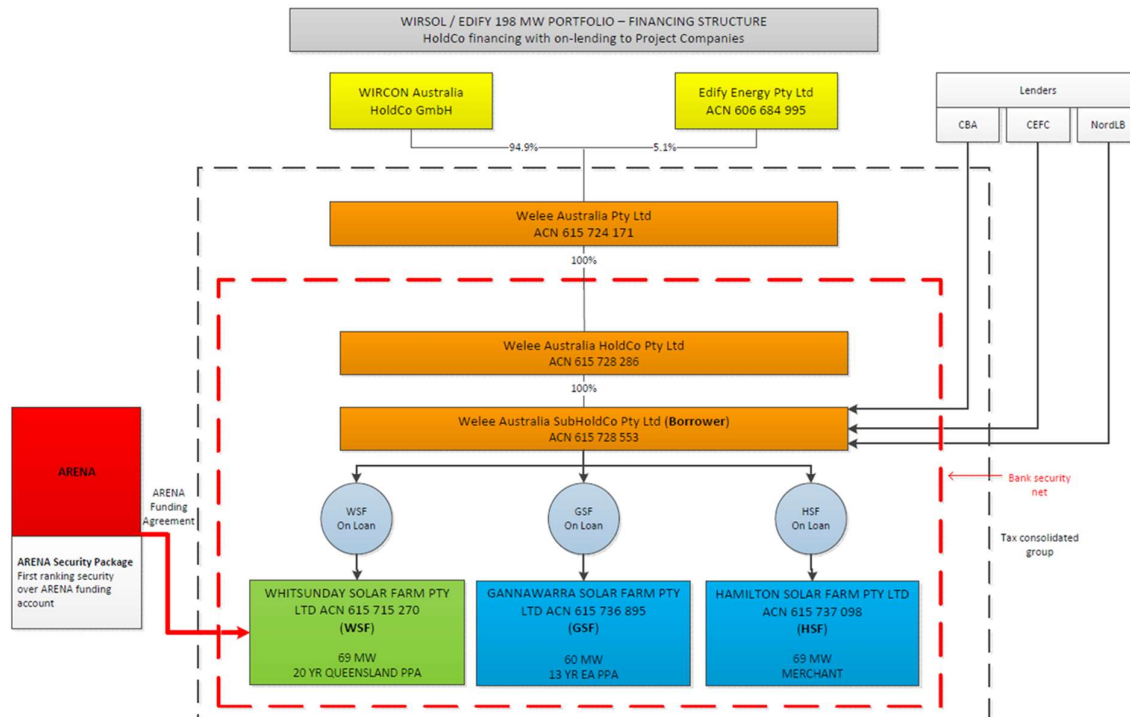
2.2 OWNERSHIP INFORMATION

2.2.1 Corporate and Financial Structures

GSF Pty Ltd is a wholly owned subsidiary of Welee Australia Hold Co Pty Ltd which is a 100 % subsidiary of Welee Australia Pty Ltd (**Welee Australia**).

The shareholders of Welee Australia are WIRCON Australia HoldCo GmbH (94.9%) and Edify Energy Pty Ltd (5.1%).

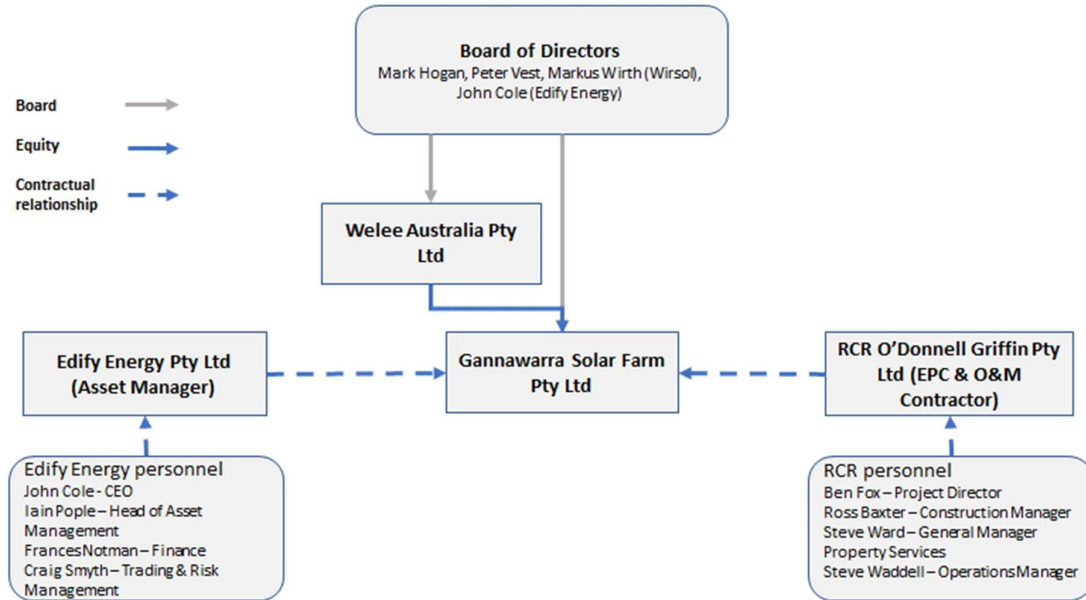
The corporate and financing structure of GSF Pty Ltd is set out below.



2.2.2 Organisational Structure

An organizational structure for GSF is set out below:

¹⁶ Relevant certificates of incorporation are contained in Attachment 13 to this application.



A summary of the experience of the Board of Directors and the key personnel is set out at Attachment 12.

2.3 INSTITUTIONAL EXPERIENCE

2.3.1 Wirsol

The majority equity provider to the Portfolio (with a 94.9% shareholding in Welee Australia), the holding company for the Portfolio) is the specialist European industrial developer and investor, specialising in photovoltaic systems and wind power plants, Wirsol.¹⁷

To date Wirsol have reached more than 8,500 customers through consistent investment and competency in photovoltaic and wind power systems. Know-how in engineering, gathered from more than 800 MWp of installed power implementing high quality state-of-the-art technology, are the key factors for success.

Installed PV Solar Sites (Historic)

- Germany >380MWp
- United Kingdom >190MWp
- Spain >80MWp
- Italy >50MWp
- Denmark >60MWp
- Netherlands >30MWp
- US / Canada >10MWp
- Other >30MWp

Constructed or Pipeline PV Solar Sites (2018-2020)

- UK ~300MWp

¹⁷ See <http://wirsol.com> and <http://wirsol.com.au>

- Australia ~670MWp (inc. of 198MWp Whitsunday / Hamilton / Gannawarra)
- Germany ~50MWp
- France ~30MWp
- Netherlands ~30MWp
- Italy ~30MWp
- Portugal ~200MWp

2.3.2 Edify

Edify¹⁸ retained a minority interest (a 5.1% shareholding in Welee Australia) and provides long-term, fully wrapped asset management services to the Portfolio.

Edify is taking a leading position in the Australian renewable energy and storage market, having originated and closed the financing of 5 (440 MWp DC) utility scale solar PV projects in Australia. Edify provides development capital to projects, and works with its partners to ensure high quality renewable and storage projects are structured, financed and brought into operation. Edify maintains a minority equity interest in all of its projects and provides long-term asset management services.

Edify's management team has:

- in excess of 120 years collective experience in the power and renewables sectors internationally, across all facets of project development and execution, as well as engineering, legal, tax and accounting
- from a principal perspective, raised and deployed in the order of \$3B of capital bringing over 40 solar and wind projects (800+ MW total) into commercial operation
- advised on over 10 GW (c \$25B) of projects during development, construction and operation
- managed an operational portfolio of more than 1.7 GW of renewable assets internationally, including Australia's largest wind and solar farms.

Edify's founder and Chief Executive, John Cole, was a co-founder of UK company Low Carbon Limited¹⁹ which developed, structured, financed and brought into operation more than 250 MWp of PV projects in the UK between 2011 and 2015.

2.4 KEY CONTRACTS AND AGREEMENTS

The below table lists some of the key contracts which GSF Pty Ltd has entered into for the construction and long-term operation and maintenance of GSF.

Agreement	GSF Pty Ltd Counterparty
Generator Connection and Access Agreement ²⁰	Powercor Australia Pty Ltd
Generator Deed ²¹	Powercor Australia Pty Ltd
Engineering, Procurement, Construction and Installation Contract ²²	RCR O'Donnell Griffin Pty Ltd
Operations & Maintenance (O&M) services Contract ²³	RCR O'Donnell Griffin Pty Ltd

¹⁸ See <http://edifyenergy.com>

¹⁹ See <http://lowcarbon.com>

²⁰ See Attachment 1.a

²¹ See Attachment 1.b

²² See Attachment 1.c

²³ See Attachment 1.d

Power Purchase Agreement ²⁴	EnergyAustralia Pty Ltd
Asset Management Agreement ²⁵	Edify Energy Pty Ltd

2.5 PLANNING AND ENVIRONMENTAL APPROVALS

All required planning and environmental approvals have been obtained, including the Development Approval and EPBC Approval set out below. All material continuous obligations in terms of planning and environmental approvals continue to be complied with.

2.5.1 Development Approval

Formal development approval for a Material Change of Use for GSF was granted by the Gannawarra Shire Council on 21 November 2013.²⁶ As part of the Development Approval, the Gannawarra Shire Council has approved the following plans²⁷:

- Environmental Management Plan²⁸;
- Landscape Management Plan²⁹;
- Traffic Management Plan³⁰; and
- Fire Management Plan³¹.

2.5.2 EPBC Approval

On 28 November 2016 it was confirmed on behalf of the Minister for the Department of the Environment and Energy that the construction of the GSF is not a controlled action and does not require further assessment and approval under the *Environmental Protection and Biodiversity Conservation Act 1999* (Cth).³²

2.6 LAND OWNERSHIP AND ACCESS ARRANGEMENTS

On 10 March 2017 GSF Pty Ltd entered into a long term (30 year, with 4 x 5-year options for GSF Pty Ltd) lease with the freehold landowner, Greg and Faye Fowler Pty Ltd. A copy of the lease is provided as Attachment 3.a.

2.7 DETAILS OF REGULATORY ACTION

No prosecutions or regulatory complaints have commenced against the Applicant or any other company or person related to or associated with the Applicant.

²⁴ See Attachment 1.e

²⁵ See Attachment 1.f

²⁶ See Attachment 2.a

²⁷ See Attachment 2.b

²⁸ See Attachment 2.c

²⁹ See Attachment 2.d

³⁰ See Attachment 2.e

³¹ See Attachment 2.f

³² http://epbcnotices.environment.gov.au/_entity/annotation/39f729e5-f2b5-e611-a2f2-005056ba00a8/a71d58ad-4cba-48b6-8dab-f3091fc31cd5?t=1511738866588

2.8 ENERGY SAFE VICTORIA AND OBLIGATIONS UNDER THE ELECTRICITY SAFETY ACT 1998 (Vic)

As the EPC and O&M contractor, RCR is responsible for designing, constructing and operating the solar farm in compliance with the Electricity Safety Act 1998 (Vic). As such RCR has undertaken the following activities and correspondence with Energy Safe Victoria (**ESV**).

- RCR has made contact with ESV to seek advice on GSF's obligation in meeting the Electricity Safety Act 1998 (Vic).
- ESV has advised that RCR and GSF are not required to operate an Electricity Safety Management Scheme (ESMS) as they are not a Major Electricity Company (MEC). A MEC is a distribution or transmission company. See Attachment 6.a for correspondence between RCR and ESV.
- Under the Electricity Safety Act 1998 (Vic) RCR have engaged an electrical inspector to sign off on all prescribed electrical works.
- RCR are preparing a HV operation protocol and contact name list as requested by Powercor for operation of the HV substation.

2.9 DETAILS OF LICENCE SOUGHT

GSF Pty Ltd is seeking a generation license.

The solar farm substation is on target to be energised on 31 January 2018. The solar farm is expected to generate electricity from 2 March 2018. In order to accommodate flexibility in the construction programmes, GSF seeks a licence from 9 February 2018.

The electricity generated will be sold into the National Electricity Market. As referenced in Section 1 above, for the period from commencement of operations until 31 December 2030 all electricity and LGCs will be sold to, and acquired by, EnergyAustralia.

GSF Pty Ltd is not seeking any non-standard license conditions.

2.9.1 Details of current or former licences held in this or other jurisdictions.

GSF Pty Ltd has never held or applied for a license in Victoria or any other jurisdiction, nor has it had a licence refused. GSF Pty Ltd was registered as an Intending Participant in the NEM with AEMO on 23 December 2016.³³

2.9.2 Licenses held by associates of the applicant.

Whitsunday Solar Farm Pty Ltd and Hamilton Solar Farm Pty Ltd (also wholly owned subsidiaries of Welee Australia Hold Co Pty Ltd) have submitted applications for generation licenses in Queensland from the Department of Energy and Water Supply (**DEWS**).

Whitsunday Solar Farm Pty Ltd and Hamilton Solar Farm Pty Ltd were registered as an Intending Participant in the NEM with AEMO respectively on 23 December 2016 and 7 March 2017.³⁴

³³ See the spreadsheet that can be downloaded from <https://www.aemo.com.au/Electricity/National-Electricity-Market-NEM/Participant-information/Current-participants/Current-registration-and-exemption-lists>

³⁴ See the spreadsheet that can be downloaded from <https://www.aemo.com.au/Electricity/National-Electricity-Market-NEM/Participant-information/Current-participants/Current-registration-and-exemption-lists>

3 THE COMMISSIONS OBJECTIVES

3.1 ESSENTIAL SERVICES COMMISSION ACT OBJECTIVES – SECTIONS 8(1) AND 8(2)

The Objective of the Commission is set out under sub-section 8(1) of the *Essential Services Commission Act 2001 (ESC Act)* as follows:

In performing its functions and exercising its powers, the primary objective of the Commission is to protect the long term interests of Victorian consumers.

Granting a generation license to GSF Pty Ltd is consistent with the objectives of the commission in terms of protecting the long term interests of Victorian consumers. GSF Pty Ltd is a dedicated, standalone, financially viable generator (with funding for all of its obligations either provided or committed), underpinned by long-term contracts, and supported by leading companies in the Australian energy market.

As a solar energy generator (and one of Victoria's first utility scale solar farms), GSF will provide low marginal cost energy into the NEM, increase and diversify the supply of energy in Victoria, leading to increased supply, reliability and reduced energy costs. Modern utility grade solar inverters are capable of providing sophisticated grid support, including fast response power factor control and voltage ride through capabilities.

Further, the environment in Victoria will benefit from increased zero emission electricity generation.

Under sub-sections 8(1) and 8(2) of the ESC Act, the Commission must have regard to a number of matters in seeking to achieve the Objective. The Applicant believes that granting of the licence is consistent with these matters, described in sub-section 8A(1), as follows:

3.1.1 Efficiency in the industry and incentives for long term investment

GSF will contribute to increased efficiency in the electricity market through additional diversity of supply and competition. The project provides significant investment into the Victorian electricity market via equity capital from Wirsol as majority owner, debt financing from CEFC, NordLB and CBA and a long term offtake agreement with EnergyAustralia.

Utility scale solar PV is an established technology with approximately 300 GW installed globally³⁵ and over 1 GW financially closed and under construction or operation in Australia.

The operational risks are low and well understood. The operational design life of the project is 30 years.

3.1.2 The financial viability of the industry

GSF is financially viable having achieved financial close on 10th March 2017 with long term debt and equity financing, underpinned by a long term PPA with EnergyAustralia. Comprehensive due diligence was carried out on the financial and energy yield aspects of the solar farm to support the equity and debt investment into the project. This is evidence of the project's 'bankability'. A copy of the Independent Engineer's Due Diligence Report is included in Attachment 9.a.

Further, GSF operates in a financially viable industry. The NEM has existed as a liberalised wholesale spot market for electricity for almost 20-years, trading circa 190 to 200 TWh per annum worth

³⁵ <https://www.climatecouncil.org.au/uploads/a1a456a201a175c4bb34f684f6f9dcbd.pdf>

almost \$17bn in 2016-17 and with some 200+ registered participants and 53GW of installed capacity.

Equity and debt markets are providing long term finance to solar PV, even with merchant exposure, recognising it as one of the lowest cost forms of electricity generation in the NEM.

Capital costs are expected to continue to fall going forward. The recent Queensland 400 Renewables request for tender³⁶ attracted 115 tenders.

In June 2016, the Victorian Government committed to Victorian Renewable Energy generation Targets of 25 per cent by 2020 and 40 per cent by 2025 (**VRET**).³⁷ One mechanism to help achieve the VRET is the establishment of the Victorian Renewable Energy Auction Scheme (**VREAS**) under which the Victorian Government will award commercial contracts in support of up to 650 MW of new renewable energy generation.

The format of the auction will be a reverse auction, with bids accepted for up to 550 MW of large scale technology neutral renewable energy and for up to 100 MW of large scale solar-specific renewable energy.³⁸

3.1.3 The degree of, and scope for, competition within the industry, including countervailing market power and information asymmetries

GSF provides a positive contribution to the diverse and competitive supply of electricity to Victorian consumers via the creation of a new electricity generation asset which is consistent with the objective in regards to this matter.

As a relatively small generator, GSF Pty Ltd is expected to be a price-taker and therefore will not be able to set the market price nor wield significant market power. This has the potential to lower market spot prices. Relative to other generators within Victoria and the NEM as a whole, GSF Pty Ltd can be considered only a minor player in the industry.

3.1.4 The relevant health, safety, environmental and social legislation applying to the industry

Construction and operation of the solar farm will be subject to all relevant health, safety, environmental and social legislation applying to the Victorian electricity industry.

3.1.5 The benefits and costs of regulation (including externalities and the gains from competition and efficiency) for (a) consumers and users of products or services (including low income and vulnerable consumers) and (b) regulated entities.

GSF Pty Ltd has entered into a long term PPA contract with EnergyAustralia at a price which is competitive with other forms of generation. This allows EnergyAustralia as one of Australia's largest electricity retailers to supply electricity to consumers at a competitive price.

GSF Pty Ltd will seek to minimise the costs of regulation and allow consumers and users of electricity (including low income and vulnerable consumers) to receive the benefits of increased renewable energy supply. These include reduced cost, and increased reliability and quality, of electricity supply, and environmental and health costs.

³⁶ See <http://statements.qld.gov.au/Statement/2017/8/28/renewables-400-program-charging-ahead-with-huge-interest>.

³⁷ See <https://www.energy.vic.gov.au/renewable-energy/victorias-renewable-energy-targets>

³⁸ See <https://www.premier.vic.gov.au/renewable-energy-auction-to-drive-jobs-and-investment/>

3.1.6 To promote consistency in regulation between States and on a national basis.

GSF will operate as a semi-scheduled generator, will be registered with AEMO, and is required to comply with the National Electricity Rules.

In addition, GSF Pty Ltd will generate LGCs under the *Renewable Energy (Electricity) Act 2000* (Cth).

4 FINANCIAL VIABILITY

As set out earlier in this Application, GSF has been fully project financed. The debt and equity project financing means that this project is fully capitalised to meet all contractual commitments to construct the projects and bring them into operation.

GSF Pty Ltd can meet and address the financial viability requirement, and can be summarised as follows:

- GSF Pty Ltd is majority (94.9%) owned by Wirsol, a specialist European industrial developer and investor, specialising in photovoltaic systems and wind power plants. The balance is owned by Edify, an Australian renewable energy and storage company that maintains minority interests in the projects it develops and provides long-term asset management;
- GSF Pty Ltd is financed by equity from Wirsol and long-term debt from the CBA, NordLB and the CEFC;
- GSF Pty Ltd's shareholders' agreement contains mechanisms allowing equity investors to support the company with future injections of capital if required; and
- GSF Pty Ltd's long-term viability is supported by a PPA with EnergyAustralia.

4.1 BALANCE SHEET AND SUPPORTING INFORMATION

4.1.1 Balance Sheet and financial data

The balance sheet, including a statement of assets and liabilities, is provided in Attachment 14.

4.1.2 External Auditor Statements and Credit Rating

GSF Pty Ltd's parent company Welee Australia Pty Ltd is a private company whose first Financial Report will be prepared for the period ending 31 December 2017.

There are no statements available from external advisors, nor has a rating been provided by any credit agency

The fact that the solar farm has been project financed demonstrates sufficient financial resources to sustain a viable business in the electricity industry.

4.1.3 Financial Model

A summary of the financial model has been included which sets out:

- construction, maintenance and operational costs
- funding injections, and
- projected revenues

See Attachment 8.a for the Financial Model Summary in Excel format.

4.1.4 Business Plan

GSF Pty Ltd is engaged solely in the generation of electricity from its single asset GSF. It has no other business. Its business plan is to simply maximise the volume of electricity and LGCs generated at the solar farm. It has entered into:

- a long-term agreement to buy all the electricity and LGCs generated by the GSF with EnergyAustralia;
- a full-service O&M agreement with RCR Tomlinson Pty Ltd; and
- a long-term asset management agreement with Edify.

A detailed business plan outlining the key assumptions which form the basis of the financial model has been included as Attachment 9.a. The due diligence report and financial model referred to in the business plan are included as Attachments 9.b and 8.a.

4.1.5 Documentation to substantiate source of funding

A Statutory Declaration signed by a director of GSF Pty Ltd has been provided which summarises:

- equity and debt funding provided to the project
- forecast development and construction costs
- forecast operational costs and revenue for the first 5 years of operation

The Statutory Declaration is provided as Attachment 10.a.

4.1.6 Australian Financial Services Licence

GSF Pty Ltd, does not require an Australian Financial Services Licence. It does not intend to undertake any of the activities which require an Australian Financial Services Licence, ie:

- provide financial product advice to clients
- deal in a financial product
- make a market for a financial product
- operate a registered scheme
- provide a custodial or depository service, or
- provide traditional trustee company services

4.2 INSURANCE ARRANGEMENTS

GSF has in place all the necessary insurance policies for a project of this type and size, including:

- Construction Third Party Liability³⁹
- Contract Works Material Damage and Delay in Start Up⁴⁰
- Marine Transit and Marine Delay in Start Up⁴¹
- Operational Third Party Liability⁴²
- Operational Material Damage and Business Interruption⁴³

³⁹ See Attachment 4.a

⁴⁰ See Attachment 4.b

⁴¹ See Attachment 4.c

⁴² See Attachment 4.d

⁴³ See Attachment 4.e

5 INFORMATION ON TECHNICAL ABILITY

5.1 ORGANISATIONAL CHART OF KEY PERSONNEL WITH DETAILS OF EXPERIENCE AND KNOWLEDGE OF THE INDUSTRY

Details of the experience of the GSF directors are included in Attachment 12. Details of the roles and responsibilities of key personnel employed by the asset manager are included in Attachment 11.

5.2 CONTRACTS WITH EXTERNAL PROVIDERS

See Section 2.4 for details of contracts with external suppliers and supply contracts.

5.3 STATEMENTS FROM INDUSTRY BODIES

GSF Pty Ltd, Wirsol and Edify Energy have not participated in the Victorian Electricity Market previously, so we are unable to provide any statements from bodies such as EWOV. However, the Applicant has entered into a Generator Connection and Access Agreement and a Generator Deed with Powercor and has submitted registrations with the following regulatory bodies:

- AEMO: Generator registration
- Clean Energy Regulator: LCG registration
- Greenpower registration
- Austraclear: clearing and settlement registration

5.4 INTERNAL CONTROLS, POLICIES AND GOVERNANCE PROCEDURES

Edify Energy Pty Ltd as the operator of GSF has in place the following policies and procedures:

- WHS Management Plan (See Attachment 15)
- Key officer obligations and liabilities (See Attachment 16)
- GSF Risk Management Plan (See Attachment 7.b)

A compliance register has been developed which summarises key contractual and regulatory obligations⁴⁴.

5.5 BUSINESS MODEL

See section 4.1.4.

5.6 RISK MANAGEMENT POLICIES

GSF Pty Ltd has managed risk by only engaging reputable contractors with accredited systems in place for managing quality, health and safety and the environment.

RCR Tomlinson, the primary contractor engaged to build and operate the solar farm has the following accreditations in place:

- AS/NZ 4801 Workplace Health and Safety Management
- ISO 9001 Quality Management
- Federal Safety Commission (FSC) Accreditation

⁴⁴ See Attachment 7.a

- ISO14001 Environmental Management

A risk register has been developed and is maintained throughout the construction and operational phases of the project⁴⁵.

5.7 DEMONSTRATIONS OF BILLING AND MANAGEMENT SYSTEMS

GSF is currently under construction, and therefore billing and operational management systems are not yet implemented. We note that as a generator, GSF Pty Ltd, does not have any direct contact or billing interactions with consumers in Victoria.

5.8 OTHER (COMPLAINTS, PRIVACY STATEMENTS, DOCUMENT RETENTION POLICIES)

GSF Pty Ltd complies with all document retention policies and includes privacy statements based on relevant laws and regulations that apply to GSF. Should any complaints arise, they will be managed through communication with the Asset Manager of GSF, Edify and a complaints register maintained.

5.9 COMPLAINTS

As a generator, GSF Pty Ltd, does not have any direct contact or billing interactions with consumers in Victoria. Consequently, we would not anticipate receiving complaints from end consumers in their capacity as energy customers.

Complaints can be sent via email, the Edify Energy website, or the contact number listed on the project website.⁴⁶

A recent community consultation event in relation to GSF at the clubhouse of the loan Wandella Bombers football club on 6 June 2017. It was well attended and reported in the local press.⁴⁷ Another event is planned in the new year.

5.10 INDUSTRY SUBMISSIONS

Edify as developer, minority owner and asset manager is an active participant in the Australian renewables industry. By way of example Edify:

- is a corporate member of the Clean Energy Council;⁴⁸
- participates in industry discussions around changes to National Electricity Rules and has recently made submissions to the AEMC;⁴⁹

⁴⁵ See Attachment 7.c

⁴⁶ <http://edifyenergy.com/projects/gannawarra/>

⁴⁷ <http://www.gannawarratimes.com.au/story/4717889/solar-all-set/>

⁴⁸ See <https://www.cleanenergycouncil.org.au/membership/current-members/current-members-corporate.html>

⁴⁹ See <http://www.aemc.gov.au/getattachment/b1c3c2d1-c92c-493c-bb18-9305c764a47c/Edify-Energy.aspx>

- Has been invited to present at a number of events in Victoria, including the Northern Victoria Renewable Energy Boom discussion in Kerang on 30 August 2017⁵⁰ and the Northern Victoria Renewable Energy Roundtable in Shepparton on 26 October 2017.⁵¹

5.11 INFORMATION IN SUPPORT OF A GENERATION LICENCE APPLICATION

5.11.1 Details of experience in and knowledge of the electricity industry

As a newly incorporated special purpose entity, GSF Pty Ltd's knowledge of and experience in the electricity industry is derived from its owners and operators. Wirsol and Edify are the owners of GSF. RCR Tomlinson provides O&M services and Edify is the operator and asset manager.

The owners, operators and maintenance provider of GWF – Wirsol, Edify and RCR Tomlinson – have strong track-records of successfully operating businesses in the electricity industry.

Wirsol have extensive international know-how through consistent investment and competency in photovoltaic and wind power systems, gathered from more than 800 MWp of installed power implementing high quality state-of-the-art technology.

The capability of Edify Energy as the asset management provider is demonstrated by a management team which has:

- In excess of 120 years collective experience in the power and renewables sectors internationally, across all facets of project development and execution, as well as engineering, legal, tax and accounting.
- From a principal perspective, raised and deployed in the order of \$3B of capital bringing over 40 solar and wind projects (800+ MW total) into commercial operation
- Advised on over 10 GW (c \$25B) of projects during development, construction and operation.
- managed an operational portfolio of more than 1.7 GW of renewable assets internationally, including Australia's largest wind and solar farms.

RCR is a diversified engineering and infrastructure company providing engineering solutions to the infrastructure, energy and resources sectors. RCR employs over 3,400 people supporting major projects across a network of operations in Australia, New Zealand and SE Asia, with annual revenues in excess of \$1 billion. The RCR Maintenance group across Australia and New Zealand provide shut downs, planned maintenance and plant refurbishment services to major utility Power Stations as well as process industries including oil & gas. RCR provides services to Australia's largest industrial companies including AGL, BHP Billiton, Fortescue Metals Group, Newcrest Mining and Transport for New South Wales amongst others.

Refer to:

- Attachment 11 for the experience and knowledge of Edify key personnel; and
- Attachment 12 for the experience and knowledge of directors.

⁵⁰ See <http://www.gannawarratimes.com.au/story/4893213/state-solar-hub/> and <http://www.gannawarra.vic.gov.au/Events-Activities/Support-the-Renewable-Energy-Boom-with-Simon-Corbel>

⁵¹ See <http://www.countrynews.com.au/2017/10/26/6835/shepparton-powers-up>

5.11.2 A summary of the skills and experience of the directors and senior managers and their relevance to meeting the requirements of the licence

Edify's Head of Asset Management has the skills and experience to ensure the operational requirements of the licence are met. Edify's Financial Controller has the skills and experience to ensure the financial requirements of the licence are met. The Directors of GSF Pty Ltd have the skills and experience to ensure the governance requirements of the licence are met.

5.11.3 Evidence that the applicant has the capacity to comply with the licence conditions, codes and guidelines relevant to its application

GSF Pty Ltd has all necessary expertise to comply with generator license conditions, codes and guidelines through the experience of directors, a strong financial position, and through engagement of Edify Energy as the Asset Manager.

5.11.4 Evidence of any interactions or preliminary registration with VENCORP and NEMMCO

As noted in section 2.9.2 above, GSF Pty Ltd achieved intending participant status with AEMO on 23 December 2016. GSF Pty Ltd has since submitted the full generator registration application to AEMO on 8 November 2017.

5.11.5 If the applicant is to rely on another entity to provide staff and resources, a summary of the relationship between the applicant and this entity, including any formal agreements to provide services, and a summary of this other entity's experience in and knowledge of the electricity industry, and technical capacity to meet the relevant requirements of the licence.

As noted, Edify will be providing Asset Management services to GSF for a duration of up to 20 years under a full service Asset Management Agreement. Under this agreement Edify is responsible for providing:

- Management of the Health and Safety obligations and systems
- Environmental compliance
- Management of the O&M agreement and operational performance measures
- Management of the Connection Agreement
- Selling of output including the creation and registration of Green Products, NEM registration, trading in the NEM
- Invoicing and Payments
- Standing legislative and regulatory obligations

Details of the skills and experience of the Edify team is provided in Attachment 11.

Operations and Maintenance services will be provided by RCR Tomlinson for at least the first two years.

5.11.6 Confirmation that all planning and environmental approvals have been completed

As noted in section 2.5 above, all required planning and environmental approvals have been obtained and any continuous obligations in terms of planning and environmental approvals will be complied with.

5.11.7 Risk, governance and compliance management and strategies

See sections 5.4 and 5.6.

5.11.8 Evidence that demonstrates that the entity can successfully operate a business within the electricity industry

GSF has strong financial backing via established investment partners, long term debt financing, and a long term PPA contract. Reputable and experienced contractors have been engaged to build and operate the solar farm, and provide asset management services over the long term.

The owners, operator and maintenance provider of GSF – Wirsol, Edify and RCR Tomlinson – have strong track-records of successfully operating businesses in the electricity industry internationally and domestically.

All these factors ensure that the Applicant can successfully operate GSF within the electricity industry.

5.11.9 Confirmation that there are no cross-ownership issues arising under the provisions of Part 3 of the EI Act — cross ownership.

The Applicant confirms that there are no cross-ownership issues arising under the provisions of Part 3 of the EI Act.

6 LIST OF ATTACHMENTS (CONFIDENTIAL)

1. Key Contracts and Agreements
 - a. Generator Connection and Access Agreement
 - b. Generator Deed
 - c. Engineering, Procurement, Construction and Installation Contract
 - d. Operation & Maintenance Services Contract
 - e. Power Purchase Agreement
 - f. Asset Management Agreement
2. Planning and Environmental Approvals
 - a. Gannawarra Solar Farm Planning Approval
 - b. Gannawarra Solar Farm Endorsed Plans
 - c. Environmental Management Plan
 - d. Landscape Management Plan
 - e. Traffic Management Plan
 - f. Fire Management Plan
3. Land ownership and access arrangements
 - a. Gannawarra Solar Farm Land Lease
4. Insurance Certificates of Currency
 - a. Construction Third Party Liability
 - b. Contract Works Material Damage and Delay in Start Up
 - c. Marine Transit and Marine Delay in Start Up
 - d. Operational Third Party Liability
 - e. Operational Material Damage and Business Interruption
5. AEMO 5.3.4A Letter
6. Energy Safe Victoria
 - a. Correspondence between RCR and ESV
7. Compliance and Risk Registers
 - a. Gannawarra Solar Farm Compliance Register
 - b. Gannawarra Solar Farm Risk Management Plan
 - c. Gannawarra Solar Farm Risk Register
 - d. Welee Group Key officer obligations and liabilities
 - e. Gannawarra Solar Farm: Environmental Management Plan
 - f. Gannawarra Solar Farm Emergency Response Management Plan
8. Financial Model
 - a. Gannawarra Solar Farm – Financial Model Summary
9. Business Plan
 - a. GSF Business Plan
 - b. Gannawarra Solar Farm: Independent Engineer’s Due Diligence Report
 - c. EY – Loss Factor Report
10. Funding Documentation
 - a. Statutory Declaration – Company director

11. Experience of key personnel: Edify Energy – Asset Manager
12. Experience of company directors
13. Certificates of Incorporation
14. GSF Balance Sheet as at 31.10.2017
15. WHS Management Plan
16. Key officer obligations and liabilities