



Powering a Sustainable Future

Electricity Generation Licence Application for Winton Solar Farm

Winton Asset Co Pty Ltd as trustee for Winton Asset Trust
June 2020

Public submission
Essential Services Commission

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Revision Control

Version	Created by	Reviewed by	Approved by	Date	Comment
A	P. Cordeiro	Z. Tariq	Z. Tariq	30/06/20	
B	P. Cordeiro	Z. Tariq	Z. Tariq	26/08/20	Personnel for ensuring compliance added on page 5. Added attachment 27B and 28B.
C	P. Cordeiro	Z. Tariq	Z. Tariq	29/09/20	Change in the Organisation Chart



Powering a Sustainable Future

1. Information on the Applicant and Nature of the Application

1.1 Introduction

Winton Solar farm (**WSF**) has been developed by Winton Asset Co Pty Ltd as trustee for the Winton Asset Trust and is currently under construction. The project is a large-scale solar PV electricity generation asset of 85 MWac maximum capacity, on a site of approximately 250 Ha. The site is located around 25km south-west of Wangaratta, near the town of Winton, in the shire of Benalla in north-central Victoria.

Winton Solar Farm will connect to the grid via a 66kV feeder at the AusNet Services 220kV/66kV Glenrowan Terminal Station located immediately adjacent to the Winton project site boundary. Once operational, it will supply enough electricity to power about 50,000 Victorian homes and allow the annual reduction of about 150,000 tons of CO₂.

Following a 2018 public tender process, FRV was awarded a 15-year support agreement with the State of Victoria for electricity generation project at Winton Solar Farm. Under the agreement, the State will purchase 100% of the electricity output and LGCs created by the project at the agreed price. The tender was part of Victoria's Renewable Energy Target (VRET) to source 25% of its electricity production from renewables by 2020, 40% by 2025 and 50% by 2030.

The contract for Engineering, Procurement, Construction and Commissioning (EPC) was awarded to Gransolar Desarrollo y Construcción SL and Astronergy Solar Australia Development Pty Ltd. The applicant's parent company, Fotowatio Renewable Ventures S.L. (**FRV**), has relations with Gransolar as they completed the construction of Lilyvale Solar Farm in QLD and are completing the construction of Goonumbla Solar Farm in NSW.

1.2 Applicant Details

The details of the Applicant applying for a generator licence are provided in Table 1.

Applicant's name	Winton Asset Co Pty Ltd as trustee for Winton Asset Trust
ABN	31 623 824 288 (Winton Asset Co Pty Ltd.)
ACN	623 824 288 (Winton Asset Co Pty Ltd.)
Registered Business Address	Level 22, 6 O'Connell Street Sydney, New South Wales 2000
Contact person on behalf of the Applicant	Carlo Frigerio - Director of Winton Asset Co Pty Ltd Zach Tariq - Project Manager
Incorporation details	Winton Asset Co Pty Ltd was incorporated on the 17 th of January 2018.

Table 1: Applicant details

1.3 Corporate Structure

Winton Corporate structure consists of a Holdings Trust, an Asset Trust and a Finance Co. Winton Holdings Co Pty Ltd as trustee for Winton Holdings Trust. Winton Holdings Co Pty Ltd is wholly owned by FRV Solar Holdings I, B.V. and holds 100% of the shares in Winton Asset Co Pty Ltd

FRV Solar Holdings I, B.V. wholly owns the beneficial units in Winton Holdings Trust. Winton Holdings Trust holds 100% of the beneficial units in the Winton Asset Trust.

Winton Asset Trust owns the project assets and the shares in Winton Solar Farm Finance Pty Ltd. Winton Solar Farm Finance Pty Ltd is the borrower for the purposes of project financing. Winton Asset Trust holds 100% of the beneficial units in Winton Solar Farm Finance Pty Ltd.

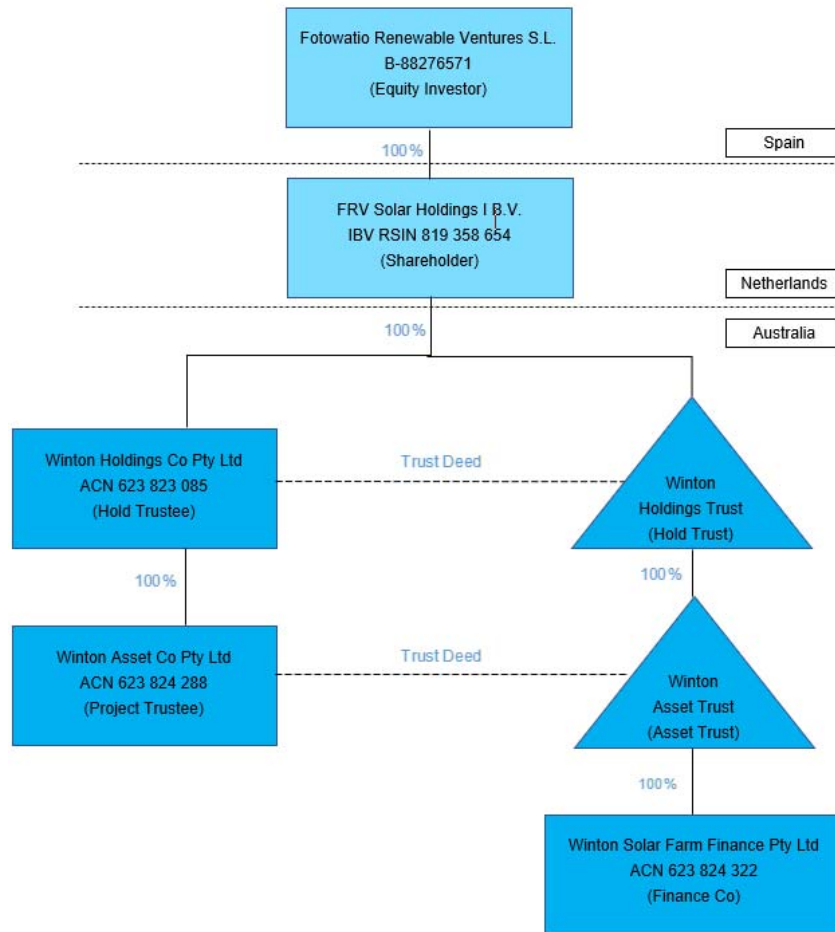


Figure 1: Corporate structure

Incorporation Details – Applicant and Parent companies

- Attachment 01: Certificate of Registration for Winton Asset Co Pty Ltd.
- Attachment 02: Constitution of Winton Asset Co Pty Ltd.
- Attachment 03: Certificate of Registration for Winton Holdings Co Pty Ltd.
- Attachment 04: Constitution of Winton Holdings Co Pty Ltd.
- Attachment 05: Certificate of Registration for Winton Solar Farm Finance Pty Ltd.
- Attachment 06: Constitution of Winton Solar Farm Finance Pty Ltd.

Trust Deeds

- Attachment 07: The Trust Deed for the Winton Asset Trust.
- Attachment 08: The Trust Deed for the Winton Holdings Trust.

1.4 Organisational Structure

FRV wholly owns Winton Asset Co Pty Ltd as trustee for Winton Asset Trust. FRV was founded in 2006, headquartered in Spain. In 2013 the company established an office in Sydney. The main key personnel located in Australia are provided in Figure 2. The personnel responsible for ensuring compliance obligations are met will be the Asset Management Team in FRV Services Australia Pty Ltd (a wholly owned subsidiary of FRV).

The organisational structure of the Applicant is provided below.

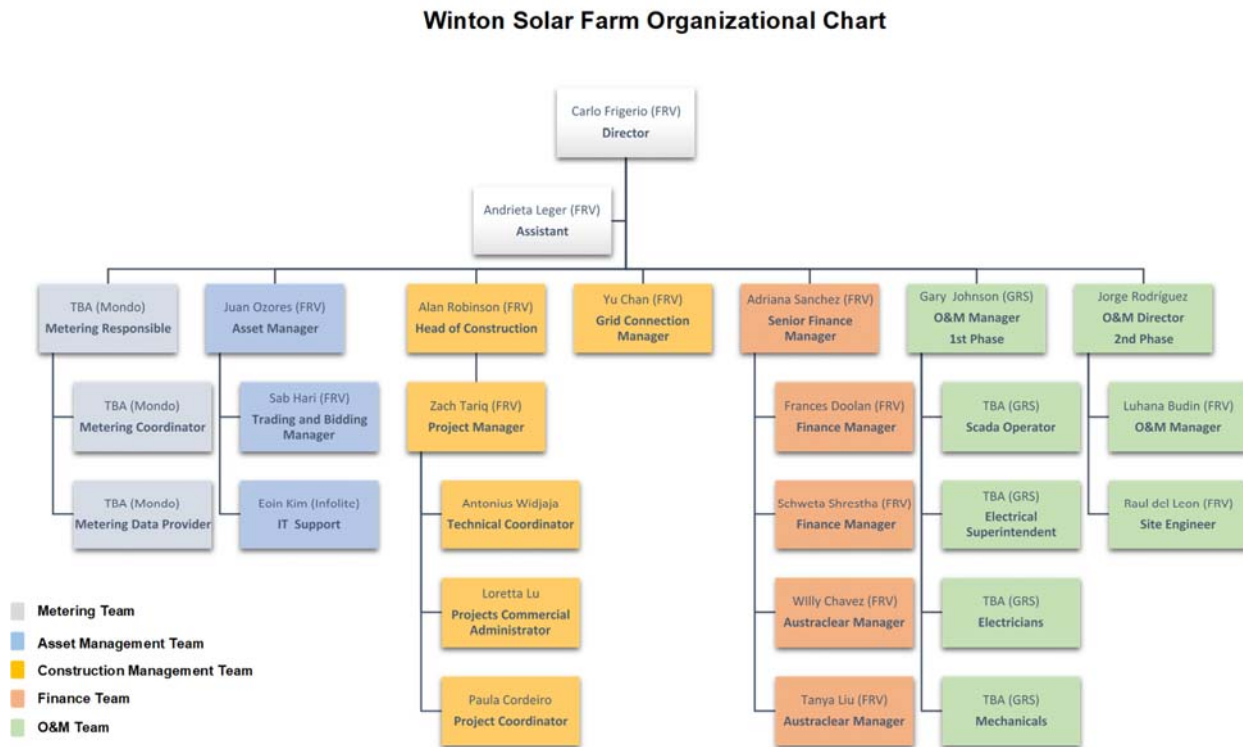


Figure 2: Project Organisational Structure

1.5 Experience of Key Personnel

The key individuals working directly with Winton solar farm have extensive experience and will contribute to the success of the project. The project team is backed by FRV, which has been providing renewable energy solutions globally. A summary of these key members' experience is provided on Attachment 09.

- Attachment 09: Experience of Key Personnel

1.6 Contracts and Agreements

Contract / Agreement	Related Party
Engineering, Procurement, and Commissioning (EPC) Contract	Gransolar Desarrollo y Construcción SL Astronergy Solar Australia Development Pty Ltd
Connection Services Agreement	AusNet Electricity Services Pty Ltd

First Term Operations & Maintenance (O&M) Agreement	Gransolar Desarrollo y Construcción SL
Second Term Operations & Maintenance (O&M) Agreement	FRV Services Australia Pty Limited
Asset Management Agreement	FRV Services Australia Pty Limited
Contract of Sale of Land	Goldsworthy & WMAC
Contract of Sale of Land	McDonald & WMAC

Table 2: Contracts and Agreements

The relevant contracts provided with this application can be found in the following attachments noting that all are commercial in confidence.

- Attachment 10: Executed EPC Contract for Solar Farm
- Attachment 11: Executed Connection Services Agreement
- Attachment 12: Executed First Term O&M Agreement
- Attachment 13: Executed Second Term O&M Agreement
- Attachment 14: Asset Management Agreement
- Attachment 15: Goldsworthy & WMAC - Executed Contract of Sale
- Attachment 16: McDonald & WMAC - Executed Contract of Sale

1.7 Planning and Environment

The Applicant has completed all necessary planning and environmental approvals to develop the solar farm. The planning permit application P0143/17 was obtained from the Benalla Rural City Council on 24th January 2018. The Applicant has provided additional documents to the Council in accordance with Development Approval conditions. Winton Solar Farm has engaged an environmental consultant to ensure compliance with the Planning permit conditions. The conditions will be recorded in a compliance register.

- Attachment 17: Planning Permit No. P0143/17
- Attachment 18: Winton SF – Extension of Time - Approval

The project conducted an investigation into the cultural heritage of statutory obligations. This investigation reviewed both the Aboriginal Heritage Act 2006 and the Heritage Act 1995. It was determined that the construction of the Winton Solar Farm does not require the preparation of a mandatory Cultural Heritage Management Plan. The activity area does not intersect with a legislated area of cultural heritage sensitivity.

- Attachment 19: Cultural Heritage Investigation

1.8 Declaration of Prosecution or Regulatory Complaint

Our global compliance function has performed a background check of the directors of the Applicant, directors of its parent companies (which includes persons with significant managerial responsibility or influence on the Applicant) and did not find any evidence of any offences or any enforcement action taken under any state, territory,

Commonwealth or foreign legislation (including, but limited to, the Competition and Consumer Act 2010 (Cth), Corporations Act 2001 (Cth), or the Australian Securities and Investments Commission Act 2001 (Cth).

1.9 Type of licence sought and date from which the licence is sought.

The Applicant seeks a generation licence from the Essential Services Commission (ESC) of Victoria. Winton Solar Farm is expecting to commission the substation and begin electricity generation in November 2020. The Applicant seeks a licence to cover its operations as an electricity generator from 30th of November 2020.

The Applicant does not seek any non-standard licence conditions.

1.10 Nature and scope of operations

The construction of Winton Solar Farm began in February 2020. The solar farm will connect to Glenrowan Terminal Station in accordance with the Connection Agreement (attachment 11), the National Electricity Rules, the Network Service Provider's requirements and any other Laws, codes, regulations and the Contract. The contractor will incorporate protective systems and devices with adequate allowances for safety and long-term operability.

Electricity generated by Winton Solar Farm will be sold through the National Electricity Market at the spot price during the generation period. In 2018, the Applicant successfully procured a 15-year support agreement through Victoria's Renewable Energy Target (VRET).

1.11 Former and concurrently held licences by the Applicant

The Applicant has never previously applied for an electricity licence in any jurisdiction.

1.12 Licences held by associates of the Applicant

FRV Solar Holdings I, B.V owns 100% of Moree Solar Farm Pty Ltd and Goonumbla Asset Co Pty Ltd as trustee for the Goonumbla Asset Trust. These companies separately are registered as a generator by AEMO.

<https://aemo.com.au/energy-systems/electricity/national-electricity-market-nem/participate-in-the-market/registration>

In addition to the assets in NSW, FRV Solar Holdings I, B.V owns 100% of Lilyvale Solar Farm (100MWac) in Queensland and has the Generation Authority in place.

2. The Commission's Objectives

Winton Asset Co Pty Ltd as trustee for Winton Asset Trust is conducting the project in a manner which complies with the Essential Services Commission (ESC) Act 2001. The Commission's objectives under the ESC Act is outlined in section 8 of the ESC Act:

- (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.

Increasing the use of solar energy to power homes and businesses is essential to reduce the consumption of fossil fuels, responsible for the damaging impacts of climate change. Winton Solar Farm will deliver clean energy with a lower impact on the environment, which is aligned with the development of the Australian clean energy industry. The Applicant is confident that Winton Solar Farm promotes the long-term interests of Victorian consumers. The matters set out in section 8A under ESC Act are detailed below to the extent they are relevant.

Winton Solar Farm will increase the generation capacity in Victoria, contributing to a competitive price. In 2018, the Applicant was awarded a 15-year support agreement with the State of Victoria for the electricity generation project at Winton Solar Farm. It is part of Victoria's Renewable Energy Target (VRET) to source 25% of its electricity production from renewables by 2020, 40% by 2025 and 50% by 2030. During the execution of its Support Agreement, the Applicant demonstrated that the project is financially sustainable.

WSF will create job opportunities during construction and operation. It represents a positive diversification of the local economy and brings investment to the area, introducing a long-term, sustainable industry that provides economic and social benefit to the surrounding region.

Health and Safety in the workplace is a priority for WSF and is managed through risk management and safe work methods. In the initial stages of the project, assessments of the planning area were carried out to ascertain potential environmental impacts relating to heritage sites, flora and fauna, local traffic concerns, and fire management. These measures were taken into consideration during the design stages of the project. The construction and the operation of WSF will both adhere to the HSE legislation of the electricity industry in Victoria.

Consistent regulations are provided by the National Electricity Rules (NER) across all states in the National Energy Market (NEM) that Winton Solar Farm will abide by and in line with the requirements of its registration with AEMO. Awarding a licence for Winton Solar Farm to operate is not in conflict with the regulation between states.

3. Information on Technical Capacity

3.1 FRV Technical Capacity

The project team is backed by FRV, as is shown in Figure 1. FRV entered in Australia in 2012/2013 and has since established a strong team in Sydney with proven expertise in the development, construction and operation of solar PV projects. FRV operates 1.5 GW of renewable energy plants across the globe and currently has 2 GW in projects under development / construction.

FRV has developed and secured Power Purchase Agreements (PPAs) for a total of six solar projects in Australia, both operating and committed with an accumulated investment of approximately US \$700 million since 2012:

Royalla (20 MWac) in the Australian Capital Territory, Clare (100 MWac) and Lilyvale (100MWac) in Queensland, Moree (56 MWac) and Goonumbla (67.8 MWac) in New South Wales and Winton (85 MWac) in Victoria.

Winton Asset Co Pty Ltd will comply with the conditions specified by the licence and will operate wholly within the bounds of the statutory obligations that accompany the licence. FRV has a technical capacity to develop and operate solar farms across different states and territories. This is proven by the operation of Moree Solar farm in NSW, Lilyvale and Clare in Queensland and Royalla in Australian Capital Territory.

3.2 Organisational chart of key personnel

A chart showing the corporate structure of the project is provided in section 1.3 and organizational structure with supporting details of key personnel experience and knowledge is provided in section 1.4.

3.3 Internal Controls, Policies and Procedures

As the EPC Contract has been awarded to Gransolar, the EPC Contractor is responsible for complying with the requirements for Health, Safety and Environmental (HSE) management and performance throughout the project including design work, risk assessment, construction and commissioning.

Project-specific management plans which are provided as attachments and are commercial in confidence:

- Attachment 20: Construction Environment Management Plan
- Attachment 21: Quality Management Plans
- Attachment 22: Health Safety Management Plan
- Attachment 23: Emergency Response Plan
- Attachment 24: Emergency Evacuation Plan
- Attachment 25: Construction Traffic Management Plan

The Applicant is committed to engaging with the community throughout the construction and operation of WSF. To facilitate this there is an Enquiries and Complaints Procedure in place. FRV maintains the project's website (<http://wintonsolarfarm.com/>). All enquires and complaints come via phone to Banksia Communications (the number is currently on the website) via the website enquiries email form.

- Attachment 26: Community Enquiries and Complaints Procedure

3.4 Risk, Governance and Compliance

Risk management is a significant component of any project owned by FRV. The risk management plan for Winton Solar Farm can be found on attachment 27. As required by the EPC Contract, Gransolar will perform HSE Risk Assessment activities, Safety in Design (SiD) activities, hazard Identification and risk assessment of the works. Risk assessments for the project are based on ISO 14001:2015.

- Attachment 27: Risk Management Plan
- Attachment 27B: Risk Register

A compliance register is included in attachment 28 outlining the obligations of the participant during the operations and maintenance phase of the project. Winton Solar Farm has engaged an environmental consultancy to ensure that all environmental compliance obligations are met by the EPC Contractor. The audit checklist will be incorporated into the compliance register.

- Attachment 28: Compliance Register
- Attachment 28B: Code of Conduct

The Applicant has established contact with Energy Safe Victoria (ESV). ESV has advised on Safety protocols, outlining the Electricity Safety Act 1998, AS/NZS 4836, Arc Flash management guideline, the Blue Book and other key areas of change in the Electricity Safety Regulations 2019. Winton Solar Farm has engaged an Occupational, Health and Safety (OHS) consultant to conduct OHS Audits of the project site and to provide reports with recommendations and actions for OHS compliance.

- Attachment 29: Email from Energy Safe Victoria

3.5 External Provider

FRV Services Australia Pty Limited has an agreement with SMEC Australia Pty. Limited, which will provide Design Review Services, Construction and Commissioning Supervision Services and Monitoring Services After Commissioning. SMEC is a leading provider in engineering services for solar farms across Australia with over 6,000 Megawatts of new generation projects in development, design, construction and early operation.

- Attachment 30: PSA SMEC

3.6 AEMO Registration

Winton Solar farm is registered as an Intending Participant with the Australian Energy Market Operator. The Applicant submitted the proposed performance standards under clause 5.3.4(e) of the National Electricity Rules (NER).

- Attachment 31: Winton, Approval Letter for Intending Participant Registration
- Attachment 32: Winton Solar Farm - Generator Performance Standards

3.7 Land Access

Winton Asset Co Pty Ltd as trustee for Winton Asset Trust confirms that all land access is in place. The executed contracts of sale of land were provided in section 1.6. Additionally, an easement option is in place as the attachment below.

- Attachment 33: Easement Option

3.8 Research Agreement

Winton Solar Farm project is funding a research program at the University of Melbourne, which explores ways to accelerate Victoria's transition to a sustainable, low-carbon future through technical and regulatory innovation economic development and community engagement. The University of Melbourne Renewable Energy Research Investment Partnership (RERIP) is part of FRV's commitment to driving Australia's transition to a more sustainable energy model.

- Attachment 34: UniMelb Services Agreement

4. Information on Financial Viability

Winton Asset Co Pty Ltd as trustee for Winton Asset Trust, has sufficient financial resources to commence and sustainably perform the relevant activities in the electricity industry. Supporting documents to demonstrate the financial viability of the project and the ultimate owner (FRV) is as follows, and attachments are commercial in confidence.

4.1 Financial Arrangements

The Applicant has established financial agreements to support its construction.

- Attachment 35: Winton Shareholder unit register
- Attachment 36: Intercompany Loan Agreement

4.2 Financial Data

The Financial Close for Winton Solar Farm was achieved in February 2020. Financial statements for the year ending on 31st December 2019 are provided in attachments below.

- Attachment 37: Statement of Assets and Liabilities
- Attachment 38: Winton Bank statement
- Attachment 39: FRV SL auditor report
- Attachment 39A: Winton Holdings Co Pty Ltd - Financial Statements 31 December 2019
- Attachment 39B: Winton Asset Co. Pty Ltd - Financial Statements 31 December 2019
- Attachment 39C: Winton Solar Farm Finance Pty Ltd - Financial Statements 31 December 2019
- Attachment 40: Winton Financial Data February 2020

4.3 Guarantees in Place

Winton Asset Co Pty Ltd as trustee for Winton Asset Trust has guarantees in place to deal with any external forces that can influence the project negatively. Guarantees where Winton is the Beneficiary are listed below.

- Attachment 41: EPC Bank Guarantee
- Attachment 42: Chint Bank Guarantee

The bank guarantees issued by the Applicant naming other contractual counterparties as the Beneficiary are provided below.

- Attachment 43: Winton Interconnection Ausnet Bank Guarantee
- Attachment 44: Winton VRET - Letter of Guarantee

4.4 Business Plan and Financial Model

The Business Plan and financial model were prepared before the VRET Auction. The proposal submitted complied with the eligibility criteria, which was assessed based on the Financial capability and commercial viability; Technical capability and viability; Economic development; Community engagement and shared benefits; and Impact on existing electrical network infrastructure. The Project's Financial Model with projected revenues and costs across the life of the solar farm has been provided to the Commission on a commercial in confidence basis.

- Attachment 45: VRET Agreement
- Attachment 46: Business Plan

4.5 Australian Financial Services Licence

Winton Asset Co Pty Ltd as trustee for the Winton Asset Trust does not require an Australian Financial Services Licence.

5. List of Attachments

All attachments are provided as **Commercial-in-Confidence**.

1. Certificate of Registration_Winton Asset Co PL
2. Constitution_Winton Asset Co PL
3. Certificate of Registration_Winton Holdings Co PL
4. Constitution_Winton Holdings Co PL
5. Certificate of Registration_Winton Solar Farm Finance PL
6. Constitution_Winton Solar Farm Finance PL
7. Winton Asset Trust_Trust Deed
8. Winton Holdings Trust_Trust Deed
9. Key Personnel Summary
10. Winton EPC Contract (Dated 11 December 2019)
11. Winton Solar Farm - CSA - Executed (18.10.19)
12. Winton - 1OM Agreement (Dated 11 December 2019)
13. Winton - 2OM Agreement (dated 5 February 2020)
14. Winton - Asset Management Agreement
15. Goldsworthy & WMAC - Executed Contract of Sale
16. McDonald & WMAC - Executed Contract of Sale
17. Planning Permit No. P0143/1

18. Winton SF – Extension of Time - Approval
19. Winton - Cultural Heritage Investigation
20. Construction Environment Management Plan
21. Quality Management Plan
22. Health Safety Management Plan
23. Emergency Response Plan
24. Emergency Evacuation Plan
25. Construction Traffic Management Plan
26. Community Enquiries and Complaints Procedure
27. Risk Management Plan
- 27B. Risk Register
28. Compliance Register
- 28B: Code of Conduct
29. Email from Energy Safe Victoria
30. PSA SMEC
31. Winton, Approval Letter for Intending Participant Registration
32. Winton Solar Farm - Generator Performance Standards
33. Easement Option
34. UniMelb Services Agreement
35. Winton Shareholder unit register
36. Winton - Intercompany Loan Agreement
37. Winton - Statement of Assets and Liabilities
38. Winton Bank statement
39. FRV SL financial statement
- 39A: Winton Holdings Co Pty Ltd - Financial Statements 31 December 2019
- 39B: Winton Asset Co. Pty Ltd - Financial Statements 31 December 2019
- 39C: Winton Solar Farm Finance Pty Ltd - Financial Statements 31 December 2019
40. Winton Financial data- February 2020
41. EPC Bank Guarantee
42. Chint Bank Guarantee
43. Winton Interconnection Ausnet Bank Guarantee
44. Winton VRET - Letter of Guarantee
45. VRET Support Agreement
46. Winton Business Plan
47. Statutory Declaration