



GENERATION LICENCE APPLICATION

April 2017

Public Consultation

Greenough River Solar Farm
Application for Electricity Generation Licence

Document Use and disclaimer

This document was compiled by Greenough River Solar Farm Pty Ltd for use by the Economic Regulation Authority (ERA). The information contained therein is the property of Greenough River Solar Farm Pty Ltd and may not be used by any other organisation or person without written consent. While due care has been exercised in compiling this document, the accuracy of information is provided in good faith without any expressed or implied warranty.

Contents

| | |
|--|---|
| <i>Document Use and disclaimer</i> | 0 |
| 1. Application Summary | 2 |
| 1.1. Introduction | 2 |
| 1.2. Corporate Information | 2 |
| 1.3. Financial information | 2 |
| 1.4. Technical information | 3 |
| 4.1. Public Interest Information..... | 3 |
| 4.2. License and operating area | 3 |

Glossary

| | |
|----------|---|
| AC | Alternating Current |
| CB | Circuit Breaker |
| CCP | Community Consultation Plan |
| DSOC | Declared sent out Capacity |
| GE | General Electric Energy Financial Services |
| GRSF1 | Greenough River Solar Farm Stage 1 (existing) |
| GRSF2 | Greenough River Solar Farm Stage 2 (proposed) |
| kV | kilo volts |
| MW | mega watt |
| PPA | Power Purchase Agreement |
| PoC | Point of Connection |
| PV | Photovoltaic |
| Sponsors | GRSF is a fully owned subsidiary of SWSDH |
| SWSDH | South West Solar Development Holdings |
| WASH | WA Sun Holdings |

1. Application Summary

1.1. Introduction

The Greenough River solar farm is 50km SEE of Geraldton and is located on the southern site of walkway Nangetty road, near the Mungarra substation. The solar farm is situated on a wheat farm with a rural zoning and the proposed land use is in concert with the needs of a solar farm, as already seen by the existing stage one of the solar farm. Rights to develop the site for a solar farm have been secured with lease options in favour of the proponent.

GRSF1 is an operating 10 MW AC fixed panel solar photovoltaic power station located south-east of Geraldton, Western Australia. GRSF became operational in September 2012.

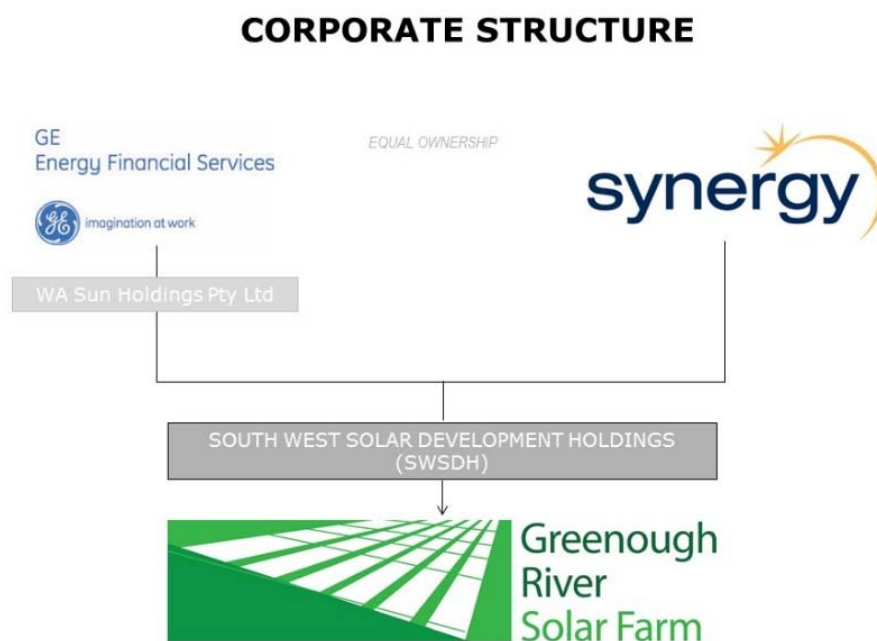
GRSF is now developing a 30 MW AC expansion of the facility (GRSF2), which it intends to develop, construct and own and operate. GRSF is applying for a generation licence for the combined 40 MW AC Greenough River Solar Farm (GRSF1 and GRSF2) and intends that the output shall be sold under a commercial PPA.

1.2. Corporate Information

GRSF (ACN 152752719, ABN 65152752719) is a wholly owned subsidiary of South West Solar Development Holdings (SWSDH) which is an incorporated joint venture vehicle owned 50:50 by the Electricity Generation and Retail Corporation trading as Synergy (Synergy) and WA Sun Holdings Pty Ltd (WASH), a wholly-owned subsidiary of General Electric Energy Financial Services.

The GRSF board is made up of four directors, two from each of the stake holders, none of whom have been or would have been disqualified from managing corporations under the Corporations Act 2001.

FIGURE 1 - GREENOUGH RIVER SOLAR FARM CORPORATE STRUCTURE



1.3. Financial information

GRSF is classified as a small proprietary company under the Corporations Act 2001 (Cwlth), there is no statutory obligation to prepare and lodge financial reports with ASIC.

Financial risk is limited due to financial strength of joint venture partners (Synergy and GE).

GRSF is in advanced negotiations with debt and equity partners to allow GRSF to design, construct and operate the Solar Farm.

Synergy and GE have a robust credit history, strong earnings profile and relevant experience in investing in infrastructure and energy assets.

Embodied risks are typical for a large-scale solar generation facility and include construction, operational, market, financial, environmental, technology, climate/weather, political and regulatory risks.

Contractual provisions allow for mitigation of key risks. For example, risks to construction delays are mitigated through liquidated damages provisions in the main construction contract. Risks to plant availability is similarly mitigated through liquidated damages in the main operations contract.

Other risks, such as company risk and financial risk, are minimised due the experience and credit rating of the developer Synergy and adequate insurance coverage.

1.4. Technical information

The solar farm will have an installed capacity of 40MW AC. The Solar Farm will comprise of an existing 10 MW AC fixed tilt facility and 30 MW AC of single axis tracking using a combination of SMA Sunny Central 720CP and SMA Sunny Central 2500-EV inverters. The additional 30 AC MW will use a single axis tracking system to increase the energy yield of the PV system. This system is of the horizontal type and will follow the sun from east to west during a day and will return to a flat condition after dusk and during high wind conditions. The combined solar farm will consist of a combination of First Solar series 3 and 4 modules and approximately 450,000 modules.

The additional 30 MW AC will be split into two 15 MW AC arrays, located to the northern and southern sides of the existing 10 MW AC stage one. The power will be transmitted via underground cables to an existing 22 kV busbar and 22/132 kV transformer located adjacent to the Mungarra substation.

GRSF intends to generate and sell electricity and LGC's under a long term power purchase agreement and expects to generate approximately 105 GWh per year.

The existing GRSF management team have been successfully operating the initial stage of GRSF for five years, will manage the EPC and O&M contracts from inception through construction and then to operation and maintenance.

The project will be constructed under a full turnkey EPC contract and operated under a long term O&M agreement.

All stages of GRSF were fully permitted for the initial stage (completed in 2012). No further approvals are required.

All market registrations are current and no further market registrations are required.

4.1. Public Interest Information

Greenough River Solar Farm has been extremely warmly welcomed by what is a very small remote community. No public complaints or opposition have been received.

Before construction of stage one started, a comprehensive feasibility study was completed to assess the social and environmental impacts on the surrounding area. Planning Approval for the project was obtained from the City of Geraldton-Greenough and the Shire of Mullewa in mid-2011.

A community consultation plan (CCP) has been developed in line with requirements. This CCP identifies key community stakeholders, the approach and methodology for engaging the community, and a concept implementation and delivery plan.

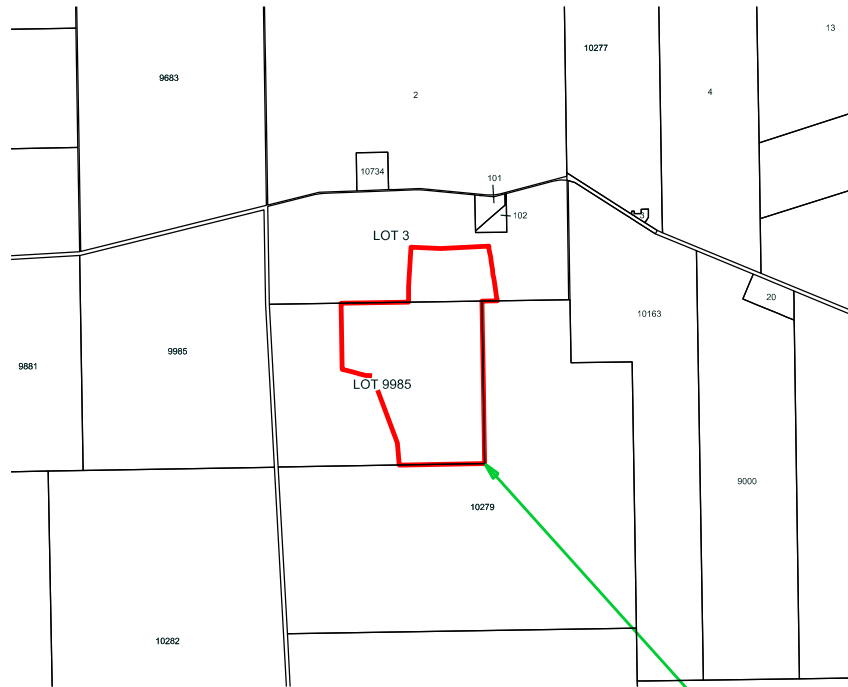
GRSF as a company has provided educational benefits for the Mid West region through a funding arrangement reached with the Hollomby Foundation which has been supporting local university students since 2010.

There are no conflicting interests in the area the license would apply.

Development of GRSF2 will assist with increasing the competition in the electricity market and will increase the level of renewable energy generation in Western Australia and assist meeting the federal RET.

4.2. License and operating area

The Greenough River solar farm is 50km SEE of Geraldton and is located on the southern site of walkway Nangetty road, near the Mungarra substation. The license area is shown in Appendix 1.



LICENCE BOUNDARY

LEGEND

— LICENCE BOUNDARY

| | | | | | |
|------|-----|-------------|-----|-----|-----|
| | | | | | |
| | | | | | |
| | | | | | |
| | | | | | |
| | | | | | |
| | | | | | |
| DATE | No. | DESCRIPTION | DRN | CHK | APR |



APPROVED:

CHAIRMAN
ECONOMIC REGULATION AUTHORITY

DATE: _____

ELECTRICITY INDUSTRY ACT 2004
GREENOUGH RIVER SOLAR PV FARM
ELECTRICITY LICENCE AREA
GENERATION
LICENSEE: Electricity Generation Corporation

| | | | | | |
|------------------------------------|---------|----------|------------|-------|-------------|
| DRAWN Western Power Corporation | CHECKED | APPROVED | PLAN No. | ISSUE | ORG SIZE |
| FILE No. | SCALE | DATE | ERA-EL-xxx | | A3 |