



SECTION A – APPLICATION SUMMARY

Merredin Solar Farm

The Merredin solar PV power generation plant is a 132MWp / 100MWac Merredin solar PV power generation plant located at Lot 194 Robartson Road and the adjoining Lot 19444 Bruce Rock, Merredin Road, Merredin in Western Australia (**Merredin Solar Farm**). It is currently owned by Merredin Solar Farm Nominee Pty Ltd (**MSFN**) and operated by Risen Energy Services Pty Ltd (**Risen**).

MSFN currently holds an electricity generation licence under the *Electricity Industry Act 2004* (WA) (**EIA**) (EGL28, Version 2, 1 July 2018), which authorises it to operate the Merredin Solar Farm in accordance with the terms and conditions of that licence (**Existing Generation Licence**).

The Merredin Project Company Pty Ltd (ACN 654 466 378) (**Project Trust Company**) and MSFN have entered into an Asset and Business Sale Agreement on 25 October 2021 in relation the sale of the Merredin Solar Farm (**Transaction**). All of MSFN's leasehold interests in the land on which the Merredin Solar Farm is located have also been assigned to Project Trust Company.

Therefore, the Project Trust Company is here applying for a transfer of MSFN's Existing Generation Licence to it in accordance with section 18 of the EIA.

Following completion of the Transaction, the Merredin Solar Farm will be operated for the Project Trust Company by a third party asset manager with experience in operating renewable generation assets in Australia, which will be contractually engaged to perform this function. The Project Trust Company has completed a competitive procurement process for the engagement of this experienced third-party asset manager. Following which, it has appointed Blueshore Pty Ltd (**Blueshore**) to be its preferred asset manager for the Merredin Solar Farm. Enclosed with this application is a letter of award that has been provided to Blueshore by SUN informing Blueshore that it will be engaged as the asset manager for the Merredin Solar Farm. The Project Trust Company and Blueshore are presently confirming draft terms that will be included in the asset management agreement. A copy of the draft asset management agreement is enclosed. A copy of the final version will be provided to the ERA once it has been executed by the Project Trust Company and Blueshore.

Blueshore

Blueshore was established in October 2017 to provide comprehensive independent asset management services for the alternative energy market in Australia. Blueshore seeks to support renewable energy investors and asset owners by providing commercial, technical, compliance and financial management to renewable projects in accordance with the multi-faceted requirements of the Australian energy market and regulation. Since its establishment, Blueshore has supported over 1 GW of renewable project work in Australia ranging from pre-construction due diligence, contract review and support, construction review and comprehensive asset management (please see Figure 1 below that sets out Blueshore's engagement in Australia).

Blueshore builds upon the experience and track record established by its leadership team that was established during the last two decades in the European renewable energy market. Blueshore utilises the strong experience of its team through the provision of comprehensive construction management and asset management services tailored for, and located in, the rapidly emergent Australian renewable energy market and has already been engaged by a diverse range of asset owners and funders in the Australian energy market, both investors and lenders.

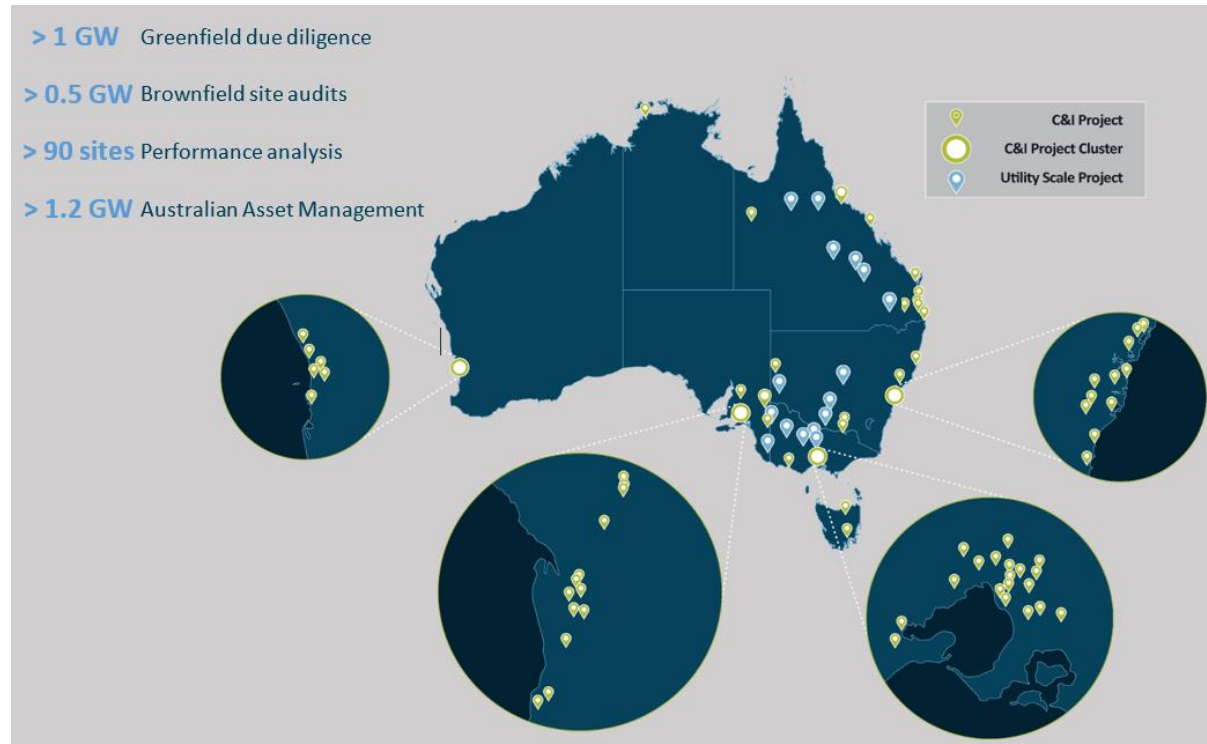


Figure 1: Blueshore's track record



SECTION B – CORPORATE INFORMATION

Solar United Network Pte. Ltd (UEN 201804301M) (**SUN**) is part of the SUN Energy Group, which is a leading solar project developer in Singapore, having secured 50 MWp of solar projects across South East Asia within the five years of operations since its establishment in 2016. The Merredin Solar Farm will be SUN's first renewable energy solar project in Australia.

The Project Trust Company (ACN 654 466 378), which is the proposed licence holder, was registered on 13 October 2021 and acts as trustee of the Merredin Project Trust. As set out in the structure diagram below, Project Trust Company and the Merredin Project Trust are indirectly wholly owned by SUN.

Group Structure Chart *Merredin Project Company Pty Ltd*

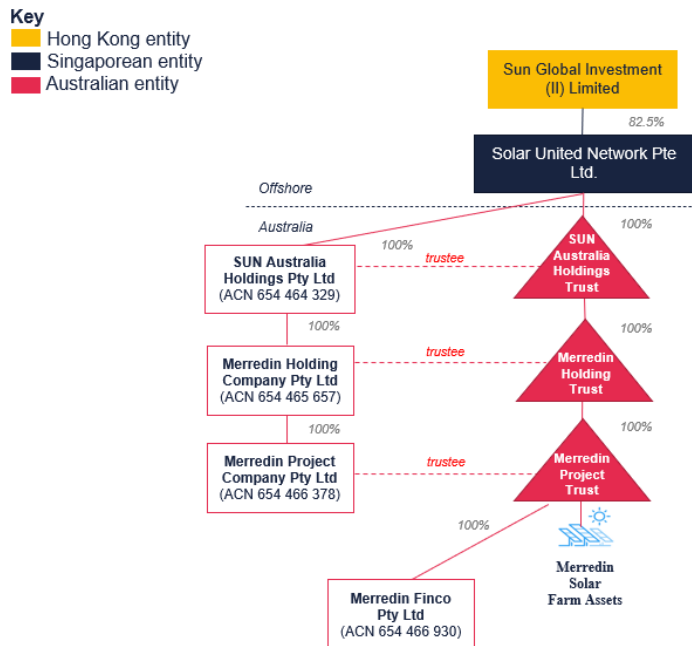


Figure 2: SUN's Corporate Structure

The address for the Project Trust Company is Suite 9, Level 2, 330 Churchill Avenue, Subiaco Western Australia 6008. The directors of the Project Trust Company are Mr Harpreet Singh (**Sonu**) Cheema and Mr Rahul Khemka. Mr Cheema is based in Australia and will be the primary contact person. Mr Cheema and Mr Khemka have never been and there is no known reason for them to be disqualified from managing corporations under the *Corporations Act 2001* (Cth). Also enclosed with this application are statutory declarations from Mr Khemka and Mr Cheema attesting to the above.

Please also refer to the ASIC Certificate of Registration and ASIC company search extract enclosed with this application for further information about the Project Trust Company.



SECTION C – FINANCIAL INFORMATION

Given that the Project Trust Company was incorporated on 13 October 2021, it is not able to provide any financial reports (including audited general-purpose reports). Enclosed with this application are copies of the following:

- financial statement for SUN for the year ending 31 December 2020;
- unaudited financial statement for SUN for the year ending 31 December 2021; and
- financial projections and assumptions for the Project Trust Company for the financial years 2022 to 2026.

SUN has only been operational since 2020 and, accordingly, does not have any financial reports predating the financial statement for the period to 30 December 2020 (which is attached to this application). It reports to the Accounting and Corporate Regulatory Authority (**ACRA**) in Singapore and a copy of its audited financial report for 2021 is currently in preparation and will be submitted to ACRA in due course.

Given that it is a new entity, the Project Trust Company is in the process of setting up bank accounts in Australia. Once the bank's compliance processes are complete, the Project Trust Company can provide confirmation of this to the ERA and a copy of the bank statement and balance.

SUN will be making an equity contribution to fund the acquisition of the Project. This equity contribution will be paid fully to Risen as the 100% current owner of the Merredin Solar Farm.

In addition to this, SUN intends to provide financial support for the Project Trust Company, its subsidiary, so that it can operate the Merredin Solar Farm post-acquisition. Enclosed with this application is a copy of the letter of support from SUN.

To date, Project Trust Company has not been required to submit any documents, record or information to ASIC under Chapter 2M of the *Corporations Act 2001* (Cth) (**Corporations Act**). Part 2M of the Corporations Act requires that all public companies other than those limited by guarantee, registered schemes and disclosing entities prepare annual financial reports. The Project Trust Company was newly formed in October 2020. At the same time, in accordance with section 323D(1) of the Corporations Act, the first financial year of a company may last for 12 months or a period, no longer than 18 months, determined by the directors. The Project Trust Company therefore has not been required to submit any information under Chapter 2M of the Corporations Act to date.

As the Project Trust Company was newly formed in October 2020 and established for the purpose of acquiring the Merredin Solar Farm, it does not have any contracts under which contingent liabilities have arisen and is not aware of any litigation or action being brought against it. SUN has undertaken significant financial and legal due diligence in respect of the Merredin Solar Farm and did not identify, as part of its due diligence investigations, any material legal or financial risks to the Project which are not otherwise part of the



'business as usual' risks associated with operating a solar farm. As such, the Project Trust Company does not consider that there are any material risks to its financial position.

Enclosed with this application is a summary of SUN's due diligence findings prepared for purpose of the ERA licence transfer application. In summary, SUN's due diligence:

- concludes that there are no high-risk findings, but there are certain medium risks in relation to technical due diligence;
- sets out various legal due diligence factors that were considered. However, some of these findings were based on the share sale model that SUN and Risen had originally intended. Those findings are no longer applicable given the adoption of an asset sale model for the acquisition; and
- states that the financial and tax due diligence component has been paused because the asset acquisition model agreed by SUN and Risen would mean that there are no tax liabilities for SUN.

The Merredin Solar Farm has been operational since August 2020 and is a revenue generating asset delivering approximately \$18 million in revenue monthly. The Project has entered into a 10 Year PPA with BHP for 50% of the output of the facility and a Green Rights Supply Agreement with Sunshot under which Sunshot has agreed to purchase LGCs and other Green Rights produced by the facility until December 2029 – providing further revenue certainty. Enclosed with this application is a copy of Green Rights Supply Agreement between MSFN and Sunshot.

In relation to the Project Trust Company's financial policies, it proposes to adopt Risen and MSFN's existing audit policy, accounting policies, and internal controls policy. Enclosed with this application are copies of these documents provided by Risen. If Blueshore revisits these policies following the execution of the asset management agreement between Blueshore and the Project Trust Company, any updated policies will be provided to the ERA at that time.

SECTION D – TECHNICAL INFORMATION

Merredin Solar Farm

Risen has agreed that it would continue, as it does now for MSFN, to operate and maintain the Merredin Solar Farm after completion of the Transaction under a separate O&M agreement between MSFN and Risen (which will later be novated to the Project Trust Company). This would facilitate the continued operation of this role by Risen after completion. Enclosed with this application is a draft of the O&M agreement, current as at the date of this application, that the parties are negotiating and propose, once finalised, to sign. A copy of the executed O&M agreement will be provided to the ERA once it is executed by the parties.

The Merredin Solar Farm will have an operational capacity of 100MWac at its POC (metering point) consisting of approximately 406,000 solar PV modules (325Wp polysilicon) covering an area of 360 hectares, with an expected output of 278GWh of electricity per annum.



The Merredin Solar Farm comprises of solar PV modules installed on aluminium frames, utilising a single-axis tracker system aligned North-South. The tracker system is supported by driven steel piles and follows the sun from East to West during a day and returns to a stowage condition after dusk and during high wind conditions.

Electricity generated by the PV modules is fed via string cabling to combiner boxes and then through to central inverters located within medium voltage (**MV**) substations. Each MV substation contains 5MVA of inverters (2 x 2.5MVA SMA sunny central units) which converts direct current into alternating current (**AC**). AC electricity is then passed through a transformer which steps up the voltage to 33kV. Once at 33kV, power is transmitted back to the Customer Substation / Switchroom before stepping up to 220kV and connecting to the SWIS at Western Power's Merredin Terminal.

The Merredin Solar Farm is comprised of 22 x 5MWac arrays, a customer substation, on site switchyard and associated Western Power connection assets.

The metering is done at 220kV at the common point of coupling with Western

Power's transmission network. Western Power's metering breaker is installed along with associated CT/VTs for the purpose of metering the output of the Merredin Solar Farm.

Western Power is the meter operator for the connection.

Risen has confirmed that it does not intend to sub-contract any services in respect of the operation of Merredin Solar Farm and therefore does not have any policies in regard to sub-contracting. **Blueshore's Asset Management System**

Following completion of the transaction, Blueshore will be instructing Risen with regards to the operation and maintenance of the Merredin Solar Farm. Blueshore has confirmed that the current asset management systems for the Merredin Solar Farm will be adopted and applied by it in managing the Farm on behalf of the Project Trust Company following completion of the acquisition. We understand that the ERA is already familiar with the details of these asset management systems. Enclosed with this application are drafts of the 2021 performance audit report and asset management system review for 2021 that were prepared by MSFN and provided to Sarah Lyons, a Senior Regulatory Officer at the ERA, in respect of the adequacy of the existing asset management systems.

Blueshore undertakes a comprehensive review of project documentation with a focus on establishing deadlines, milestones, service level obligations and compliance obligations, where appropriate, recording these within Blueshore's asset management platform in order to automate time and action triggered alerts and allocation of asset management responsibilities.



Plant details, including key equipment, spare parts inventory, equipment warranties, contact lists and other information relevant to the asset management scope will be input to Blueshore's asset management platform. Project documentation will be uploaded into Blueshore's document management system with structure and naming conventions to facilitate efficient searchable access. Please see Figure 3 below which shows screenshots of Blueshore's asset management platform.

blueshore

Blueshore Home Projects Business Development Accounts HR Innovation Legal Market Intelligence Policies & Procedures Templates Admin Blueshore Team

Manildra

Private group

Search this site

+ New Page details

Published 07/03/2020 Edit

Home

Project Mailbox

Documents

Planner

Analytics

Fault Register

Edit

Project Summary

Project Name: [Manildra Solar Farm](#)

Project Size: 46.7MWac / 55.9MWdc

Location: [Manildra, NSW](#)

EPC Contractor: RCR O'Donnell

PPA Offtaker: EnergyAustralia

Plant Specifications:
PV Modules: Series 4 First Solar
Trackers: NextTracker
Inverter: SMA Central Inverters

Asset Manager: [Beatriz Lopez](#)

Asset Engineer: [Harry Tran](#)

Project Owner: [New Energy Solar](#)

Contact: [Tom Kline](#)
T: +61 406 627 4
M: +61 286 629

O&M Contractor: [First Solar](#)

Contact: [IBD](#)
T: +xxx x xxxxx xxxxx
M: +xx xxx xxxxx xxxxx

1 of 7

blueshore

Blueshore Home Projects Business Development Accounts HR Innovation Legal Market Intelligence Policies & Procedures Templates Admin Blueshore Team

Solar

Private group

Search this site

+ New Page details

Published 30/03/2020 Edit

Home

Project Mailbox

Documents

Planner

Analytics

Fault Register

Edit

Project Tasks

Status

Bucket

6 Tasks left

Not started 3

In progress 2

Late 1

Completed 1

Procurement

EPC

O&M

Grid Connection

PPA

Insurance

Lease Agreement

Insurance

Links

greenpowermonitor.com

User Login - InfoDynamics

AEMO | NEM data dashboard

Manildra, Australia

15°C Mostly Sunny 18/15° 03/03/2020 MSN Weather

Project Calendar

Upcoming Past

There arent any events scheduled. To add a new event, go to the TemplateSite group calendar in Outlook.



Figure 3: Blueshore's Asset Management Platform

Furthermore, Blueshore's capabilities also include monitoring and data analytics expertise built on use of over 15 monitoring tools, and team training received from the Australian Energy Market Operator (**AEMO**), bidding software vendors and energy market consultants, specific to the Australian market. Additional examples of Blueshore's systems experience are set out in Figure 4 below.



Figure 4: Blueshore's experience in the market

Blueshore has indicated that it does not intend to appoint any subcontractors for the provision of services in respect of the Merredin Solar Farm.