Fundamentals necessary for developing and funding renewables projects in the current market

AGENDA

1. Why ... all the Renewables hype?
2. Securing offtake
3. Securing grid connection
4. Securing the project-wrap
5. Securing the Dream Team

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WHY
CLEAN ENERGY AUSTRALIA 2018

LARGE-SCALE RENEWABLE ENERGY PROJECTS UNDER CONSTRUCTION OR STARTING IN 2018

- **WA**
  - 30 Megawatts
  - $67m Investment
  - 100 Jobs

- **NT**
  - 2121 Megawatts
  - $4091m Investment
  - 3196 Jobs

- **QLD**
  - 1055 Megawatts
  - $2214m Investment
  - 1175 Jobs

- **SA**
  - 1111 Megawatts
  - $2850m Investment
  - 1080 Jobs

- **NSW**
  - 1166 Megawatts
  - $1688m Investment
  - 330 Jobs

- **TAS**
  - 116 Megawatts
  - $280m Investment
  - 200 Jobs

**TOTALS**

- 5600 Megawatts
- 11,190m Investment
- 6080 Jobs

*As at April 2018

*Image sourced from Clean Energy Council 2018
Securing Offtake

FOLLOW THE MONEY

SHOW ME THE MONEY!!!!
Explosion in Corporate PPA Market

RECENT TRANSACTIONS

Securing Grid Connection

GET CONNECTED
Key connection issues ...
Securing the Wrap

SINGLE POINT RESPONSIBILITY
## Key "wrap" issues

### BANKABILITY

<table>
<thead>
<tr>
<th>PPA</th>
<th>EPC CONTRACT</th>
<th>O&amp;M CONTRACT</th>
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<tbody>
<tr>
<td></td>
<td>&quot;Back to back&quot;</td>
<td>&quot;Back to back&quot;</td>
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<tr>
<td>Identity of Counterparty</td>
<td>AEMO risk</td>
<td>Price</td>
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<td>Price</td>
<td>Price</td>
<td>Experience</td>
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<tr>
<td>Term</td>
<td>Extensions of Time</td>
<td>Performance guarantees</td>
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<tr>
<td>Credit support</td>
<td>Performance guarantees</td>
<td>Liquidated damages</td>
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<tr>
<td>Negative pricing risk</td>
<td>Liquidated damages</td>
<td>Security package</td>
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<td>Shortfall energy risk</td>
<td>Variations</td>
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<tr>
<td>Transmission or interconnection risk</td>
<td>Security package</td>
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<tr>
<td>Warranties and defects</td>
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</tbody>
</table>
Securing the Dream Team

PROVEN TRACK RECORD
It truly takes a village ...

GETTING THE "BAND" TOGETHER

- Community Stakeholders
- Project Counsel
- AEMO
- Technical Advisors
- Landlord
- Local Council
- Guarantors
- Lenders' Counsel
- Insurance Brokers
- AER
- Transmission Network Services Provider
- Lenders
- Federal / State Governments
- Offtaker(s)
- Financial Advisor
- Investors
- EPC Contractor
- Lenders' Engineer
- O&M Contractor
- AER
- Technical Advisors
- Landlord
- Local Council
- Guarantors
- Lenders' Counsel
- Insurance Brokers
It truly takes ... high-viz ...
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