

**APPLICATION FORM FOR  
THE ISSUE OF AN  
ELECTRICITY  
GENERATION LICENCE BY  
THE  
ESSENTIAL SERVICES  
COMMISSION OF SA  
UNDER THE *ELECTRICITY  
ACT 1996***

**July 2012**





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## INFORMATION FOR APPLICANTS BEFORE FILLING OUT THIS FORM

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### Purpose of this form

This form is to be completed by persons making application to the Essential Services Commission of South Australia (the Commission) for the issue of a licence to authorise electricity generation operations in the electricity supply industry in South Australia.

The Commission can also consider joint applications from two or more persons who wish to hold a licence jointly. Persons making joint applications must ensure that each of the applicants completes a separate application form, together with a covering letter explaining that the application is for a licence to be jointly held.

### Generation operations which require a licence

Section 15(2)(a) of the *Electricity Act 1996* (the Act) is explicit in that it requires a person that carries on the operation of the generation of electricity to hold a licence. This requirement applies to all generators with the exception of a generator that can rely on:

- (1) one of the statutory exemptions specified in the *Electricity (General) Regulations 1997* (Regulations) outlined below;
- (2) an individual exemption issued by the Commission (with the approval of the Minister) pursuant to section 80(1) of the Act; or
- (3) an exemption made by Governor under a regulation pursuant to section 98(2)(e) of the Act.

Pursuant to Regulations 6(1) and (2), the following generators are exempt from the requirement to hold a generation licence:

- ▲ a generator whose generating plant has a rated nameplate output of 100kVA or less;
- ▲ a generator that does not supply electricity for reward to or by means of a transmission or distribution network;
- ▲ a generator that generates electricity for the sole consumption of that generator or a designated body (such bodies must be designated by the Minister<sup>1</sup>); or
- ▲ a generator that generates electricity for a person at a premises occupied or used by the person as a tenant or licensee (whether directly or indirectly) of the generator (or a designated body) where that person is not charged for the supply of electricity except by a licensed retailer/generator or as an unspecified part of rent or charges for the occupation or use of the premises.

It is important for generators (or proposed generators) to carefully consider whether they can rely on a statutory exemption from the requirement to be licensed. If the reliance on a statutory exemption is queried by the Commission, the onus to provide evidence that a particular exemption can be relied upon is on the relevant generator.

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<sup>1</sup> To date, the Minister for Energy and Resources has not designated any bodies for the purposes of Regulations 6(1).

In addition, in the event that the operations of a generator change so that it can no longer rely on one of the three exemptions specified above, it will need to apply to the Commission for a generation licence immediately in order to continue those operations.

### **Basis for this form**

Section 16(1)(a) of the Act provides that an application for the issue of a licence must be made to the Commission in a form approved by the Commission. This is the form approved by the Commission.

### **Prior reading**

It is essential that licence applicants read the Commission's Advisory Bulletin No 4 – *"Licensing Arrangements for the Electricity and Gas Supply Industries"* before they fill out this form. This Bulletin is available on the Commission website [www.escosa.sa.gov.au](http://www.escosa.sa.gov.au) under electricity/licensing.

### **Use of this form and applicant's responsibilities**

An application for a licence may be made by any legal person including, without limitation, individuals, partnerships, incorporated associations, unit and other forms of trusts and corporations. Entities that are not a legal person (for example, an unincorporated joint venture) cannot apply for a licence.

For the purpose of this application form, reference to the term "Officer" include the applicant's directors and secretary, and other persons who make or participate in making decisions that affect a substantial part of the business of the applicant (e.g. Chief Executive Officer, Chief Financial Officer, General Manager etc.).

Applicants should list the information requested in the spaces provided in this form and enclose additional information when required. Applicants must take all reasonable steps to ensure the information provided in the application form is complete, true and correct and are required to make a declaration to that effect in the application form. Failure to disclose information or misrepresent any matter relevant to such information may result in a licence not being issued or in the suspension or cancellation of a licence at a later time.

Applicants are responsible for providing the Commission with current, accurate and relevant documentation. This will ensure that the application is processed promptly and without delay. All applications are assessed on a case-by-case basis. If insufficient information is provided with an application, the Commission will request additional information to be submitted before the application is considered further.

### **Licence conditions**

Sections 21(1) and 22 of the Act requires the Commission to place certain mandatory conditions in generation licences. The Commission strongly recommends that applicants review these mandatory conditions. Applicants must be familiar with the relevant conditions and confident that they can comply with the conditions.

### **Special licence conditions for wind generation licensees**

Applicants for a wind generation licence should also familiarise themselves with the *Commission's Statement of Principles for Wind Licensing*.<sup>2</sup> The key special licence conditions that are to be imposed on wind generation licensees as a result of the Statement of Principles are summarised below.

#### *Fault Ride-Through Capability*

1. Each generating unit which the licensee is authorized to operate under this licence must comply with:
  - (a) the automatic access standards for generating system response to disturbances following contingency events specified in clause S5.2.5.5(b)(1) of the NER; and
  - (b) subject to clause 2, the automatic access standards for generating system response to disturbances following contingency events specified in clause S5.2.5.5(b)(2) of the NER; and
  - (c) subject to clause 3, the automatic access standards for generating system response to voltage disturbances specified in clause S5.2.5.4 of the NER.
2. The licensee is not required to comply with clause 1(b) in respect of a generating unit which the Licensee is authorized to operate under this licence where:
  - (a) the minimum access standard requirements specified in clause S5.2.5.5(c)(2) of the NER in relation to generating system response to disturbances following contingency events; and
  - (b) the requirements of clauses S5.2.5.5(d), (e) and (f) of the NER are satisfied in respect of that generating unit.
3. The licensee is not required to comply with clause 1(c) in respect of a generating unit which the licensee is authorized to operate under this licence where:
  - (a) AEMO and the relevant network service provider have agreed, pursuant to clause 5.2.5.4(c)(3) of the NER, that there would be no material adverse impact on the quality of supply to other network users or of power system security as a result of that non-compliance; and
  - (b) The requirements of clauses S5.2.5.4(c), (d), (e) and (f) of the NER are otherwise satisfied in respect of that generating unit.

#### *Reactive Power Capability*

1. The electricity generating plant operated by the licensee must at all times be capable of continuous operation at a power factor of between 0.93 leading and 0.93 lagging at real power outputs exceeding 5 MW at the connection point.
2. The electricity generating plant operated by the licensee must at all times be capable of providing:
  - (a) subject to clause 4(b), at least 50% of the reactive power required to meet the power factor referred to in clause 1 on a dynamically variable basis; and
  - (b) the balance of the reactive power required to meet the power factor referred to in clause 1 on a non-dynamic basis.

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<sup>2</sup> Statement of Wind Principles can be found at <http://www.escosa.sa.gov.au/library/100430-LicenceConditionsWindGenerators-FinalDecision.pdf>.

3. At generation levels below full rated output the electricity generating plant operated by the licensee must be capable of:
  - (a) absorbing reactive power at a level at least pro-rata to that of full output; and
  - (b) delivering reactive power at a level at least pro-rata to that of full output.
4. For the purposes of clause 2(a):
  - (a) dynamically variable means continuous modulation of the reactive power output over its range, with an initial response time or dead time < 200 milliseconds and a rise time (as defined in clause S5.2.5.13 of the NER) < 1 second following a voltage disturbance on the network; and
  - (b) for a period of  $\leq 2$  seconds on any single occasion, a short-term overload capability may be used to meet the 50% requirement, provided that use of that short-term overload does not cause a breach of any other licence condition.
5. The reactive power capability of the electricity generating plant operated by the licensee must be capable of control by a fast-acting, continuously variable, voltage control system which is able to receive a local and remote voltage set point.
6. The electricity generating plant operated by the licensee must be able to operate at either a set reactive power, or a set power factor, which is able to be set locally or remotely at any time.
7. The power factor or reactive power control mode of the electricity generating plant operated by the licensee must be capable of:
  - (a) being overridden by voltage support mode during power system voltage disturbances; and
  - (b) automatically reverting to power factor or reactive power mode when the disturbance has ceased.

### **Further information**

Applicants should note that the Commission may ask applicants who have submitted an application form to provide further information to the Commission, or to clarify the information that they have already provided if required.

Please note that, in the event that an application lacks sufficient detail and the Commission is required to request additional information from an applicant, delays in the assessment of the application may occur.

### **Consultation and Confidentiality**

The Commission will consult with relevant government, industry and consumer groups in the conduct of its licensing functions through a public consultation process. Consequently, applications and/or supporting information will be made available on the Commission's website and in hard copy from the Commission's office for this purpose.

If applicants believe that they are providing confidential information when completing this form they should write "this information is confidential" after any such information. It is the applicant's responsibility to ensure this is clearly highlighted on the form. Applicants should also provide a 'non-confidential' version of the form capable of publication on the Commission's website.

The Commission will use information supplied in applications and in support of applications in accordance with the requirements of Part 5 of the *Essential Services Commission Act 2002*.



Applicants claiming confidentiality are encourage to familiarise themselves with Part 5. Applicants should note that the Commission may disclose confidential information in some circumstances.

### **How to lodge an application**

Applicants should send their completed application form in writing and electronically.

- ▲ In writing to:                      Essential Services Commission of SA  
   GPO Box 2605  
   Adelaide SA 5001
- ▲ Electronically to:                [licensing@escosa.sa.gov.au](mailto:licensing@escosa.sa.gov.au)

### **Application fees and annual licence fees application**

Applicants should also enclose the application fee (presently set by the Minister for Resources and Energy at \$1,000 per licence) with their application.

Holding a licence incurs annual licence fees. The licence fees determined by the Minister for Resources and Energy are administered by the Commission. At annual intervals, the Commission, on behalf of the Minister, will send to each licensee, depending on the category within the sector, an invoice for the licence fee. Licence fees are to be paid on receipt of an invoice via one of the payment options set out in the invoice.

The initial licence will not be issued until the first annual licence fee (or approved licence fee instalment) has been paid.





## LICENCE APPLICATION FORM

### 1. THE APPLICANT

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*Applicants must answer all questions in this section.*

#### 1.1 Identity of Applicant

State the full name of the applicant. The applicant is the person who will be undertaking the electricity generation operations that will be the subject of the licence. Joint applicants should each complete an application form, and submit their application forms at the same time, with a covering letter explaining that a joint application is being made.

**Name:**      [HWF 3 Pty Ltd](#)

#### 1.2 Legal Identity of Applicant

Provide information about the applicant, (i.e. whether the applicant is a natural person, private limited company or partnership, etc). If the applicant is a body corporate, please also state the jurisdiction in which the applicant is registered, and the applicant's ABN/ACN.

[HWF 3 Pty Ltd \(ABN: 49 610 776 068\)](#) is a [proprietary company limited by shares](#) and registered in [New South Wales](#). Its registered address is:

[NEOEN AUSTRALIA PTY. LTD.](#)

[Suite 3 Level 14, 219-227 Elizabeth Street](#)

[Sydney NSW 2000](#)

[HWF 3 Pty Ltd](#) is currently a wholly owned subsidiary of [HWF FINCO 3 Pty Ltd \(ABN 52 610 775 650\)](#) and registered at the same address). For clarity purpose, kindly refer to the corporate structure diagram provided in Section 1.6.

### 1.3 Address and Contact Details of Applicant

Business Address: Suite 3 – Level 14, 227 Elizabeth Street, Sydney

State: New South Wales .....

Post Code: 2000 .....

Postal Address (if different to Business Address):

.....

Telephone: 02 9268 0550

Facsimile: .....

Email: franck.woitiez@neoen.com

### 1.4 Contact Person on behalf of Applicant

The full name, title and contact details of a person to whom the Commission can direct enquiries and correspondence about the application.

Full Name: Laurent Stephane FRANCISCI

Title: Construction Director .....

Business Address: Suite 3 – Level 14, 227 Elizabeth Street, Sydney

State: New South Wales .....

Post Code: 2000 .....

Postal Address (if different to Business Address):

.....

Telephone: 02 9268 0550 / 04 0771 1091

Facsimile: .....

Email: laurent.francisci@neoen.com

### 1.5 Contact Person for Licence Fees

The full name and/or title of the person to whom the Commission can direct enquiries and correspondence about licence fees.

Full Name: Laurent Stephane FRANCISCI

Title: Construction Director

Business Address: Suite 3 – Level 14, 227 Elizabeth Street, Sydney

.....

State: New South Wales ..... Post

Code: 2000 .....

Postal Address (if different to Business Address):

.....  
Telephone: 02 9268 0550 / 04 0771 1091  
Facsimile: .....  
Email: laurent.francisci@neoen.com

## **1.6 Diagram of Corporate or other Structure**

HWF 3 Pty Ltd is a wholly owned subsidiary of HWF Finco 3 Pty Ltd. This company provides the guarantee and security over its shares held in HWF 3 Pty Ltd, its rights under relevant shareholder loans, and, in each case, limited recourse to the shared assets. HWF 3 Pty Ltd provides security over all of its assets.

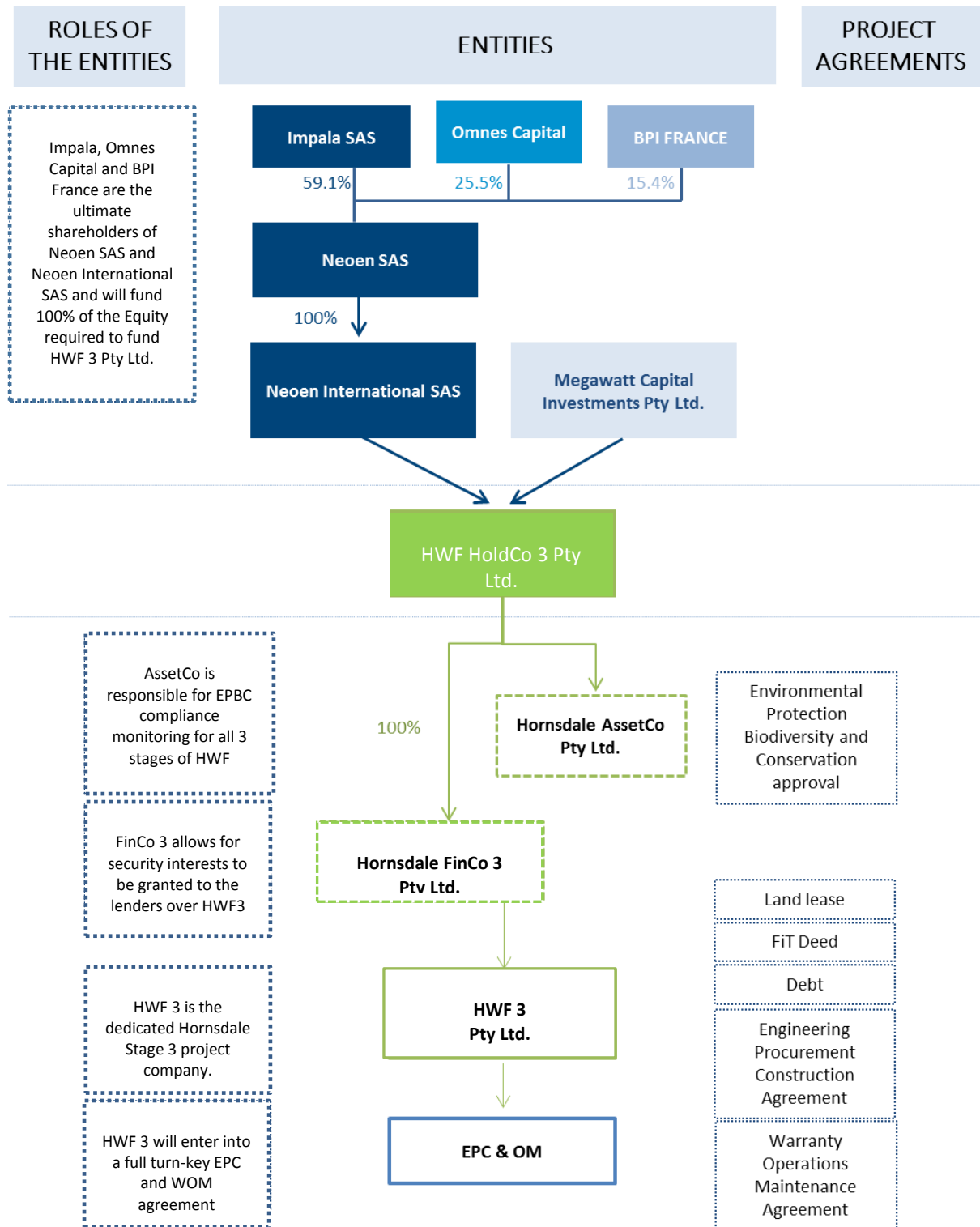
HWF Finco 3 Pty Ltd is a wholly owned subsidiary of HWF Holdco 3 Pty Ltd, the holding company. HWF Holdco 3 Pty Ltd provided the funds from shareholder equity contributions and a junior loan to HWF 3 Pty Ltd through HWF Finco 3 Pty Ltd. HWF 3 Pty Ltd entered into a Syndicated Facility Agreement with the stage 3 banks.

HWF 3 Pty Ltd, HWF Finco 3 Pty Ltd, and HWF Holdco 3 Pty Ltd are a consolidated group for tax purposes.

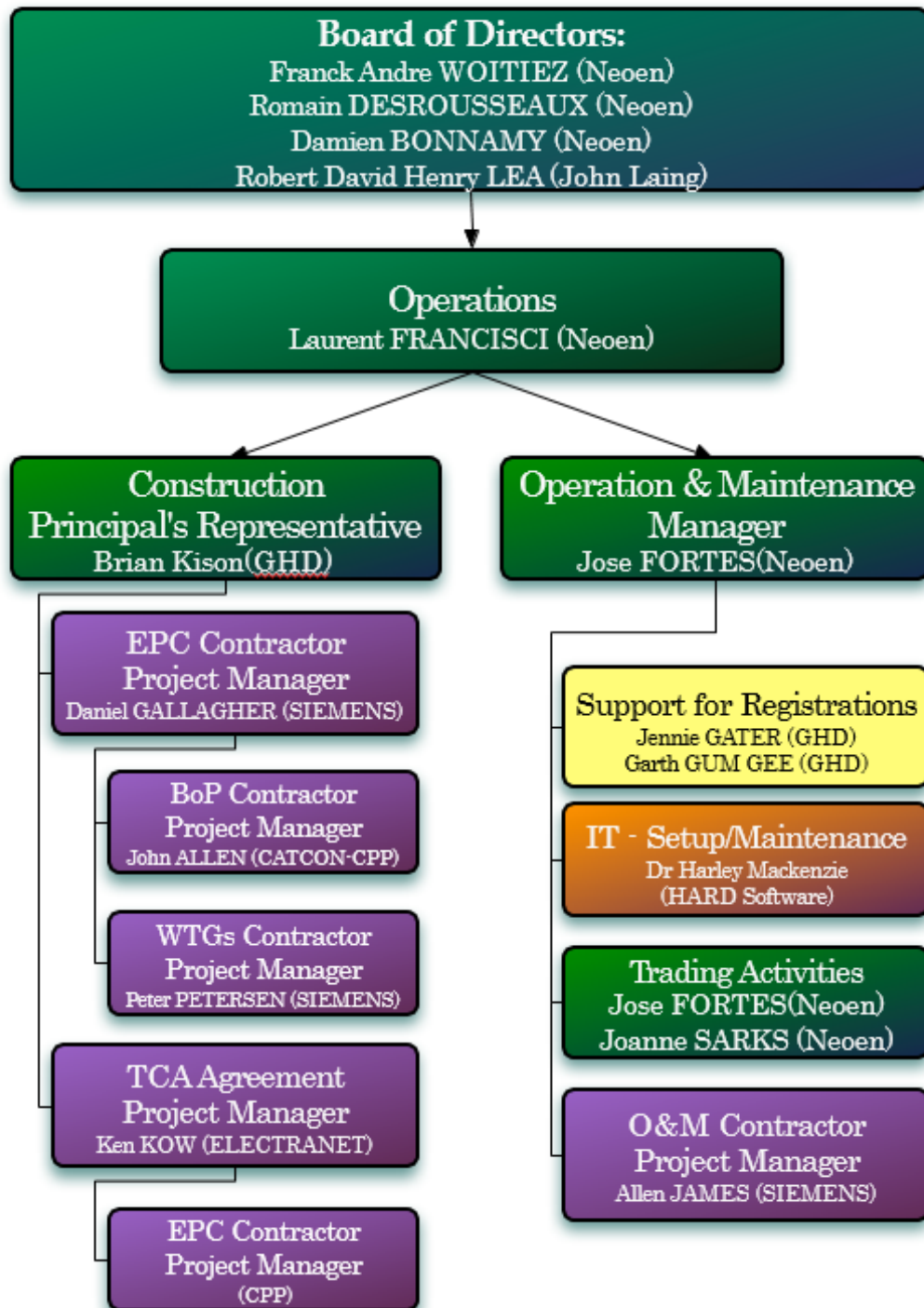
HWF Holdco 3 Pty Ltd as well as the HWF Holdco 1 Pty Ltd and HWF Holdco 2 Pty Ltd (setup for Stages 1 and 2 respectively) jointly hold shared interests in Hornsdale Asset Co Pty Ltd, the company that holds the common assets for Hornsdale Wind Farm Stage 1, Stage 2 and Stage 3. Each shareholder in Hornsdale Asset Co Pty Ltd is subject to a Common Assets Management Agreement, and a Common Assets Management Services Agreement.

HWF 1 Pty Ltd, HWF 2 Pty Ltd, and Hornsdale Asset Co Pty Ltd have entered into a tripartite agreement with the senior financiers in respect of the common assets, including the substation land. Neoen Australia Pty Ltd has a services agreement with HWF3 Pty Ltd.

HWF Holdco 3 Pty Ltd is jointly owned by Neoen International SAS (80% shareholder), a wholly owned subsidiary of Neoen SAS, and John Laing Investments Overseas Holdings Limited (20% shareholder), a wholly owned subsidiary of John Laing Group plc.



## ORGANISATION CHART HWF 3 PTY LTD



Legend:



Profiles of key HWF3 people in Australia and Overseas are detailed hereafter:

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**Franck Woitiez**

Managing Director - Neoen Australia

Based in Sydney

Franck has started his career at the Phone House, before joining Neuf Telecom in 2000 as a Business Unit Director. From 2005 to 2009, he created and developed several businesses in Portugal, notably in the real estate market. In early 2009, he joined Louis Dreyfus Commodities in São Paulo (Brasil), in charge of the merger of the 2nd biggest renewable company in the world, LDC-SEV.

In late 2010, he joined Neoen to create its Portuguese subsidiary and led a successful bid on 58MW of solar projects. He developed the projects jointly with Banco Santander in a 50/50JV, and became the Managing Director of Neoen Australia when the subsidiary was opened in 2012. Franck managed the purchase of the Investec Portfolio for Neoen Australia, and led the DeGrussa Solar Farm and the Hornsdale Wind Farm projects to Financial Close in July and August 2015.

Franck holds a master degree from EDC business school (Paris, France).

**Romain  
Desrousseaux**

Deputy CEO - Neoen

Based in Paris

Romain started his career at Neuf Telecom where he managed the company's investment program in high speed internet and then led the company's restructuring following its merger with Cegetel. In 2008, he joined Louis Dreyfus Commodities, first as deputy IT director and after 2 years became the COO of its Middle East & Africa operations. In January 2013, Romain joined Neoen as the General Manager of Neoen International in order to drive the development of projects outside of France.

Romain graduated from Ecole Normale Supérieure.

**Damien  
Bonnamy**

Chief Financial Officer - Neoen International

Based in Lisbon

After starting his career in Brazil's energy sector, Damien joined Neuf Cegetel's Finance department in 2000 as financial controller of the Wholesale Division. In 2009, he was appointed the Head of the Planning department at Louis Dreyfus Commodities. Damien joined Neoen in 2011 as CFO of the company's international ventures.

His academic background includes an undergraduate degree from University Paris Dauphine and a post-graduate degree from Paris Assas in Corporate Finance.

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**Robert David  
Henry Lea**

Investment Director – John Laing

Based in Auckland, New Zealand

Rob graduated with a Hons Degree in Civil Engineering from the University of Salford in the UK and spent 10 years working for various large scale construction companies with a focus on roads and marine projects. He worked extensively on tenders across the world and became involved in private finance projects from 1999.

He joined John Laing in 2002 and has been involved in PPPs since then in the roads, corrections, health care, energy and light rail sectors. He moved to Auckland in early 2013 to head up John Laing's activities for bidding and asset management in New Zealand as well as supporting key projects in Australia where he is a director on the board of several project companies.

**Laurent Francisci**

Construction Director – Neoen Australia

Based in Sydney

Dual Australian and French citizen, Laurent has acquired strong general management skills and experiences in the Infrastructure Sector over the past 23 years. This was achieved by driving multi-million dollar Bids, Projects and Business Units within the Degremont group (Water Treatment, now Suez) and LDCOM (Telecommunications, which became Neuf Cegetel).

Laurent managed Business Units and Projects involving multi-disciplinary mix of Civil, Building, Mechanical and Electrical. Water schemes, telecom infrastructure and associated power lines, pipe lines, tunnels & marine-works were the core challenges managed under various contractual schemes: PPPs, Alliances, integrated or non-integrated joint-ventures, or as a main Contractor.

Laurent holds a MSc (Civil Eng) from ESTP (Paris) and a MBA from Macquarie University (MGSM, Sydney).

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## 2 THE LICENCE

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*Applicants must answer all questions in this section.*

### **2.1 Date from which Licence is sought**

If the applicant seeks to have the licence issued by a certain date, provide this date. Please note that the Commission does not undertake to issue the licence by this date. Applicants should usually allow the Commission a minimum of eight weeks to consider an application, as a public consultation period of several weeks forms part of the Commission's consideration of licence applications.

HWF 3 Pty Ltd seeks to have the Generation Licence issued as soon as possible and in any event by no later than 30/06/2017 in order to be able to finalize AEMO registration process and be ready for early generation by 19/07/2017.

### **2.2 Nature and scope of operations for which Licence is sought**

Applicants for a generation licence must state the location of the generation plant, the expected name plate capacity of the generation plant, the type of generation and fuel used and some details about how the generator is to be connected to the network. Applicants for a wind generation licence must attach a map showing the location of the wind turbines.

The Hornsdale Wind Farm (HWF) is located between 8km and 24km north of Jamestown in South Australia, in the locality of Hornsdale. A site location map is attached as Appendix A.

HWF3 will have a total capacity of 112 MW, consisting of 35 Siemens 3.2 MW (SWT-3.2- 113) wind turbine generators (Capped at 109MW).

The HWF will be connected to the 275 kV transmission network through the new Mount Lock Substation facility under construction by ElectraNet, between existing Canowie and Davenport substations.

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### 3 SUITABILITY OF APPLICANT TO HOLD A LICENCE

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*Applicants must answer all questions in this section.*

#### 3.1 **Standard of honesty and integrity shown by Applicant**

In deciding whether the applicant is a suitable person to hold a licence, the Commission may:

- ▲ consider the applicant's previous commercial and other dealings, and
- ▲ the standard of honesty and integrity shown in those dealings.

Please provide information that will assist the Commission in its consideration of this matter. If the applicant:

- ▲ has been found guilty of any criminal offence,
- ▲ has been successfully prosecuted under any Territory, State or Commonwealth legislation (such as the Australian Securities and Investments Commission Act 2001 or the Competition and Consumer Act 2010) or
- ▲ has been the subject of disciplinary action,
- ▲ has been the subject of any past or present administrative or legal actions in relation to an authorisation, authority, or licence in any industry,

details of such matters must be disclosed. Failure to disclose such information or misrepresent any matter relevant to such information may result in the cancellation of a licence.

The Commission may use the service of an external expert to assist with the assessment of the applicant's standard of honesty and integrity.

HWF 3 Pty Ltd was registered under the Corporations Act 2001. It is the "Special Purpose Vehicle" dedicated to Construction, Operation and Maintenance for the second stage of Hornsdale Wind Farm.

With Neoen International SAS and John Laing Investments Overseas Holdings Limited as key shareholders, HWF 3 Pty Ltd has access to significant expertise and knowledge of both groups for both construction and operation activities of renewable infrastructure. Please refer to section 1.6 for a corporate structure diagram.

Neoen International SAS and John Laing Investments Overseas Holdings Limited's management and employees are at all times expected to act lawfully, with integrity and professionalism in all activities, internally and externally. Both groups have their own code of conduct to which all employees formally adhere.

HWF 3 Pty Ltd, HWF Finco 3 Pty Ltd, HWF Holdco 3 Pty Ltd, Hornsdale Assetco Pty Ltd, Neoen International SAS and John Laing Investments Overseas Holdings Limited have not committed any offences against, or been prosecuted under any Territory, State or Commonwealth legislation in Australia.

### **3.2 Standard of honesty and integrity shown by Officers and major shareholders of Applicant**

Applicants should address responses to this question in the same manner as 3.1 above except here it relates to officers and major shareholders of the applicant.

Please also supply details of any policies and procedures addressing the probity and competence of officers and other key management staff.

Neither of the officers listed in section 3.3 hereunder have displayed any prior misconduct, or experienced refusal or suspension from licensing or professional membership.

Neither Neoen International SAS, nor John Laing Investments Overseas Holdings Limited have breached any statutory obligations, committed any criminal or civil offence or been successfully prosecuted under any applicable legislation in its operating jurisdiction.

None of the Officers listed have displayed any prior misconduct, or experienced refusal or suspension from licensing or professional membership.

None of HWF 3 Pty Ltd's Directors have been disqualified from managing corporations under the Corporations Act 2001.

None of the Officers listed have an actual or potential conflict of interest likely to affect their ability to carry out their role.

The Applicant, through the proposed structure, has demonstrated competence in managing a generation business.

Both Neoen and John Laing groups have established code of conduct, policies and procedures applicable to Directors, managers and employees. To complement information about both groups, the latest yearly reports are attached to this submission.

### **3.3 Names and addresses of the Officers of Applicant**

State the names and addresses of the officers of the applicant. "Officers" of the applicant include the applicant's directors and secretary, and other persons who make or participate in making decisions that affect a substantial part of the business of the applicant.

Full Name: **Franck Andre WOITIEZ**

Date of Birth: **25/01/75** Office Held: **Director, Chairman of the board HWF 3 Pty Ltd**

Address: **Surry Hills, NSW** Post Code: **2010**

Full Name: **Romain DESROUSSEAUX**

Date of Birth: **03/11/75** Office Held: **Director HWF 3 Pty Ltd**

Address: **Paris, France** Post Code: **75002**

Full Name: **Damien BONNANY**

Date of Birth: **17/11/75** Office Held: **Director HWF 3 Pty Ltd**

Address: **Lisbonne, Portugal** Post Code: **1250-145**

Full Name: Robert David Henry LEA

Date of Birth: 01/03/1967 ..... Office Held: Director HWF 3 Pty Ltd

Address: Auckland, New Zealand Post Code: 0620

Full Name: Laurent FRANCISCI

Date of Birth: 18/03/1968 ..... Office Held: Construction Director - Neoen

Address: Redfern, NSW Post Code: 2016

### 3.4 Names and addresses of major shareholders of Applicant

State the full names and addresses of the major shareholders of the applicant

Name: NEOEN International SAS

Date of Birth (if applicable): ..... Office Held (if applicable):

Address: 4 rue Euler, Paris France,

State: N/A ..... Post Code: 75008

Name: John Laing Investments Overseas Holdings Limited

Date of Birth (if applicable): ..... Office Held (if applicable):

Address: London

State: N/A ..... Post Code: WC2B 6AN

### 3.5 Details of the group members

This is information about entities controlled by the applicant, or by the ultimate parent entity of the applicant (if applicable).

Section 1.6 contains a diagram of the entities which make up the Group.

The entities HWF 3 Pty Ltd, HWF Finco3 Pty Ltd, HWF Holdco3 Pty Ltd and Hornsdale Assetco Pty Ltd are registered in Australia. Audited financial statements are consolidated at group level for the economic entity comprising Neoen SAS and its subsidiaries.

### 3.6 Additional information

Please answer the following questions.

- ▲ Is the applicant a resident of, or does it have permanent establishment in, Australia?  
Where the answer to this question is no, please provide further detail.

Yes

.....

.....  
.....

- ▲ Is the applicant under external administration (as defined in the Corporations Act 2001) or under a similar form of administration under any laws applicable to it in any jurisdiction? Where the answer to this question is yes, please provide further detail.

No - the applicant is not under external administration

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.....

- ▲ Is the applicant immune from suit in respect of the obligations under the Electricity Act 1996? Where the answer to this question is yes, please provide further detail.

No - the applicant is not immune from suit in respect of the obligations under the Electricity Act 1996

.....  
.....

- ▲ Is the applicant capable of being sued in its own name in a court of Australia? Where the answer to this question is no, please provide further detail.

Yes

*(attach additional pages if necessary)*

### **3.7 Financial resources available to the Applicant**

Provide information about the financial resources available to the applicant. If the applicant is a company, please also enclose:

- ▲ copies of all audited profit and loss statements and balance sheets for the last three financial years (including all notes), and
- ▲ director's declaration that the financial statements comply with accounting standards, give a true and fair view, have been made in accordance with the Corporations Act and that there are reasonable grounds to believe the company/entity will be able to pay its debts as and when they fall due; and
- ▲ the director's report and the audit opinion.

If the applicant is a subsidiary company, please also provide:

- ▲ copies of all audited profit and loss statements and balance sheets of the applicant's parent company for up to the last three financial years.

The applicant should also submit copies of:

- ▲ its business plans including at least strategic direction and objectives, identified opportunities in the market place and forecast results; and
- ▲ evidence of capital and liquidity support in place, including any bank or cross guarantees, to support the business and evidence of negotiations with the network service provider concerning credit support arrangements.

HWF 3 Pty Ltd has a balance date of 31/12 and will produce financial statements as at that date each year. HWF3 is currently not trading; once the wind farm is constructed and trading commences, these financial statements will be audited.

Neoen SAS' three most recent audited annual financial statements (2015, 2014, and 2013) and associated declarations are included as attachments with this application.

John Laing Investments Overseas Holdings Limited has a balance date of 31/12. The three most recent audited annual financial statements (2015, 2014, and 2013) and associated declarations are included as attachments with this application.

Beyond Hornsdale Stage 3 Project, Neoen holds important ambitions in Australia, where it is developing more than 1,000 MW in wind projects, in several states. Neoen is equally active in photovoltaics with, among others, the objective of bringing renewable and economically competitive energy to isolated mine sites.

### **3.8 Additional Details of Structure of Applicant**

If the applicant is part of a group of related companies, and/or party to a partnership, joint venture or alliance agreement with another company, please provide:

- ▲ contractual arrangements (e.g. alliance contracts, associate contracts, establishment contracts) that define relationships within the group – including shared resources, guarantees, revenue flows, obligations and or responsibilities.

N/A

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### **3.9 Human resources available to the Applicant**

Provide information about the human resources available to the applicant. This includes:

- ▲ the experience and qualifications of those employees outlined in the organisational chart (see point 1.6); and
- ▲ if the applicant will employ contractor/s to assist with the licensed operations, the name of that contractor/s, details about the experience of the contractor/s in such operations and details of the processes in place to ensure the contractor/s complies with the regulatory obligations imposed by the licence.

The Applicant through its parent entities can draw on a very experienced employee base. With experience in generation design, construction and operation, the Applicant nevertheless needs to draw on other Contractors resources for specific aspects of the Generation set-up and management.

Our O&M manager, based in Canberra, will be directly monitoring HWF 3 Registration and generation O&M related activities.

We are working with GHD (Level 8, 180 Lonsdale Street Melbourne Vic 3000 Australia - [www.ghd.com](http://www.ghd.com)) to assist us along the registration process.

We have engaged specific experienced IT contractors in order to fully develop and set-up our IT system for trading activities.

We will engage an external consultant/contractor to assist or fully manage our trading activity.

The turbine supplier (Siemens) is the primary contractor for the wind farm Engineering, Procurement and Construction (EPC) contract.

Evidence of contracts is contained in Appendix C provided to the Commission.

### **3.10 Technical resources available to the Applicant**

Applicants for a generation licence are asked to provide details about the availability of technical resources to be used in carrying out the operations for which a licence is sought. The information should include details about the technically qualified staff available to the applicant and (if relevant) details of experience gained in similar operations.

Where applicants are relying on a third party to provide staff and resources to meet the technical requirements of the generation licence, please provide:

- ▲ a list of all functions and activities being proposed to outsource;
- ▲ details of any formal agreement/s to provide services, including confirmation that the third party possess relevant technical competencies to conduct the proposed activities;
- ▲ a summary of the third party's technical capacity to meet relevant obligations, including relevant accreditations; and
- ▲ a summary of the third party's experience and knowledge in the relevant area.

The applicant has set-up a project management team, backed-up by external Consultants/Contractors to oversee the construction of the wind farm and the ongoing operation and maintenance activities.

The turbine supplier (Siemens) is the primary contractor for the wind farm Engineering, Procurement and Construction (EPC) contract. The turbine supplier has experienced maintenance teams operating worldwide as well as in the concerned area, with nearby Snowtown project recently delivered and currently under O&M. They will ensure that the plant is operated and maintained in accordance with their own specifications. This will be achieved following construction via a full long-term Operations and Maintenance contract.



It is significant to note that Siemens - the wind turbine supplier for Hornsdale Wind Farm has entered into a 20-years Operations and Maintenance Agreement with HWF 3 Pty Ltd for the wind farm.

HWF3's O&M control centre is based in Canberra and O&M Manager will have responsibility of:

- monitoring the good operation and maintenance of the windfarm on a day to day basis and accordingly supervising the proper implementation of O&M Agreement by Siemens team.

- managing relationship with AEMO, collecting settlements and accordingly preparing monthly reports to ACT in order to offset differences between Market sales and PPA price for the applicable dispatched quantities.

- being the primary contact of ElectraNet and AEMO for operation of the windfarm (Switching instructions, compliance or any relevant queries).

- being the primary contact of various stakeholders to ensure continuing compliance of the windfarm with agreements in place (Environmental, Cultural Heritage, etc...)

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### **3.11 Quality of Electricity Produced/Connection Agreement**

The Commission may not issue a generation licence unless it is satisfied that the generating plant (or proposed generating plant) will generate electricity of the appropriate quality for the relevant transmission or distribution network. The Commission will be satisfied that the electricity is of an appropriate quality if the applicant has entered into a connection agreement which meets the Commission's technical requirements with the licensed operator of the relevant transmission or distribution network. Applicants are therefore required to submit a copy of such a connection agreement.

We have entered into a Transmission Connection Agreement with ElectraNet on 27/02/2017. Evidence of contracts is contained in Appendix C provided to the Commission.

The agreement includes a provision that the plant and equipment will meet the wind licensing principles.

### **3.12 Risk Management**

Provide confirmation and reasonable evidence that the applicant's management has identified the risks associated with electricity operations and has established, utilises and relies upon risk management systems and processes which are adequate, accurate and current to address those risks. A copy of the applicant's risk management strategy should be submitted.

The above-mentioned setup shows association between shareholders (Neeen and John Laing) cumulating valuable experience in the infrastructure life cycle, in asset management and in the renewable energies sector. It also pictures the local organisation, selected contractors and consultants called upon to ensure that HWF3 Pty Ltd enjoy sufficient Market knowledge to manage all possible risks related to Financing, Constructing, Operating and Maintaining a Windfarm of this nature.

The Applicant through its parent entities utilises corporate risk management processes as an integral part of the normal operation of its businesses. Neoen SAS and John Laing's corporate governance and risk management frameworks are outlined in the companies' annual reports which are included in Appendix C provided to the Commission (respectively starting p.34 and p.31).

### **3.13 Development Act Approval**

Please advise if the applicant has or is applying for approval under the Development Act 1993 (SA). If so, provide details, including the date on which approval was or will be granted.

The Applicant has received DA Approval for the Wind Farm. Development No. 764/V031/16 was dated 11/07/2016 enabling HWF3 Pty Ltd to proceed with construction of the Windfarm based upon the revised layout.

### **3.14 Registration with AEMO**

Please advise if the applicant will apply to register with AEMO. If so, provide details. Applicants for a wind generation licence should note that registration as a semi-scheduled market participant is required for all new generators and all expansions to existing wind generation plant.

In accordance with the requirements of the National Electricity Rules, the Applicant will be applying for registration with AEMO as a market generator (semi-scheduled market participant).

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### **3.15 Licences held by the Applicant in other Australian jurisdictions.**

If the applicant holds, or has previously held, electricity and/or gas licences in other Australian jurisdictions please provide details. If a licence previously held has been suspended or cancelled, please provide details.

No.

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### **3.16 Previous unsuccessful licence applications in other Australian jurisdictions**

Please state whether the applicant has applied for an electricity or gas licence in another Australian jurisdiction and not been issued with a licence, and provide details if relevant.

No

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### **3.17 Licences held by Associates of the Applicant**

If an associate of the applicant (within the meaning of the Corporations Act) holds an electricity or gas licence in South Australia or in other Australian jurisdictions, please provide details.

Electricity Generation Licence for the 100MW HWF1 Pty Ltd was granted on 12 May 2016.

Electricity Generation Licence for the 100MW HWF2 Pty Ltd was granted on 1 February 2017.

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### **3.18 Compliance Plans**

Applicants are required to submit a copy of their Compliance Plan which demonstrates how the compliance systems the applicant has (or will have) in place will ensure compliance with all of the applicable regulatory obligations imposed by the relevant licence.

HWF3 Pty Ltd will undertake monitoring of its operations and provide Annual Compliance Reports to ESCOSA to ensure compliance with all of the regulatory obligations imposed by the generation licence for stage 3 of Hornsdale Wind Farm.

A compliance framework is being established, which will assign responsibilities for obligations to the relevant personnel. Compliance responsibilities will be included in the portfolio of the O&M Manager.



### **3.19 Additional Information**

The Commission encourages applicants to provide any additional information they consider would be of assistance in supporting the application. Please provide below.

The applicant confirms that it understands and will comply with the requirements of the Wind Licensing Principles 2010. Further information related to the Principles will be assessed by AEMO as part of our registration application.

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## 4 FACTORS SPECIFIED IN THE ESSENTIAL SERVICES COMMISSION ACT 2002

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In considering a licence application, the Commission must have as its primary objective protection of the long term interests of consumers with respect to the price, quality and reliability of electricity supply, and must also have regard to the need to:

- (a) promote competitive and fair market conduct;
- (b) prevent misuse of monopoly or market power;
- (c) facilitate entry into relevant markets;
- (d) promote economic efficiency;
- (e) ensure consumers benefit from competition and efficiency;
- (f) facilitate maintenance of the financial viability of regulated industries and the incentive for long term investment;
- (g) promote consistency in regulation with other jurisdictions.

If the applicant believes that information about their application would assist the Commission in its consideration of these factors, the applicant should provide such information below.

N/A

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## 5 APPLICATION FEES

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Applicants for a licence must pay to the Commission an application fee fixed by the Minister for Energy from time to time. This fee is presently set at \$1,000 per licence. Please enclose this fee with the application. An application cannot be considered until this fee has been received and cannot be refunded.



## 6 DECLARATION

All information in this application for the issue of a licence to authorise electricity generation operations in the electricity supply industry in South Australia must be verified by a Statutory Declaration of the applicant, in accordance with the provisions of the *Oaths Act 1936* (SA)<sup>3</sup>, stating that the information contained in the application is true and correct to the best of the applicant's knowledge, information and belief.

Where the applicant is a body corporate, evidence of the relevant authority of the declarant to sign on behalf of the body corporate must also be provided to the Commission.<sup>4</sup>

### Statutory Declaration

I, Franck Andre WOITIEZ

Of HWF 3 Pty Ltd

do solemnly and sincerely declare that the information contained in this Application for the issue of a licence to authorise electricity generation operations in the electricity supply industry in South Australia is true and correct to the best of my knowledge information and belief.


And I make this solemn declaration conscientiously believing the same to be true, and by virtue of the provisions of the *Oaths Act 1936*.

Date .....28/02/2017.....

Signature ..........

(Where the applicant is a body corporate, the declaration must be made by a person authorised by body corporate to sign on its behalf)

Declared at: .....NSW.....this ...28... day of...February...2017....

Before me: ..........

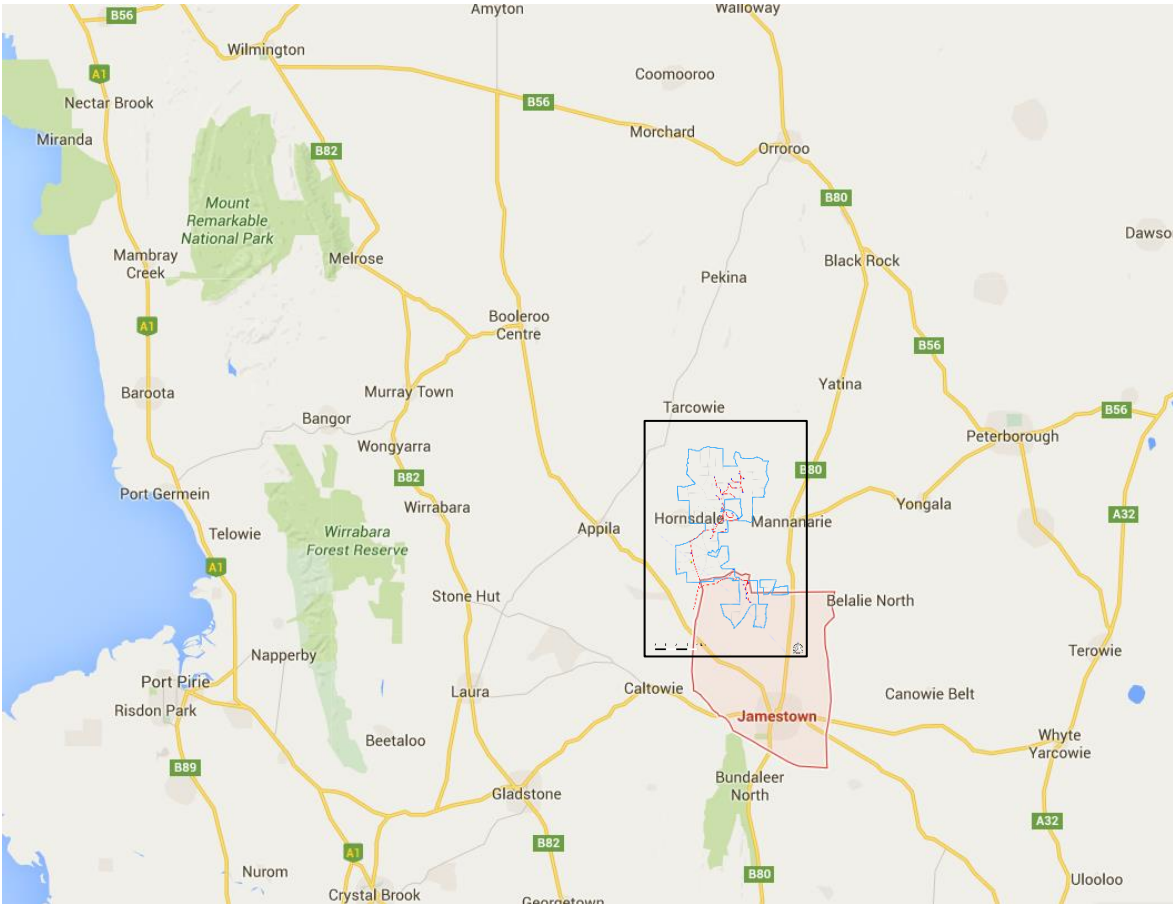
(Signature of Justice of the Peace or other person authorised under the *Oaths Act 1936*)

Joanne Grace Grange  
A Justice of the Peace in and  
for the State of New South Wales  
Reg No. 194172

<sup>3</sup> or equivalent legislation in other Australian jurisdictions.

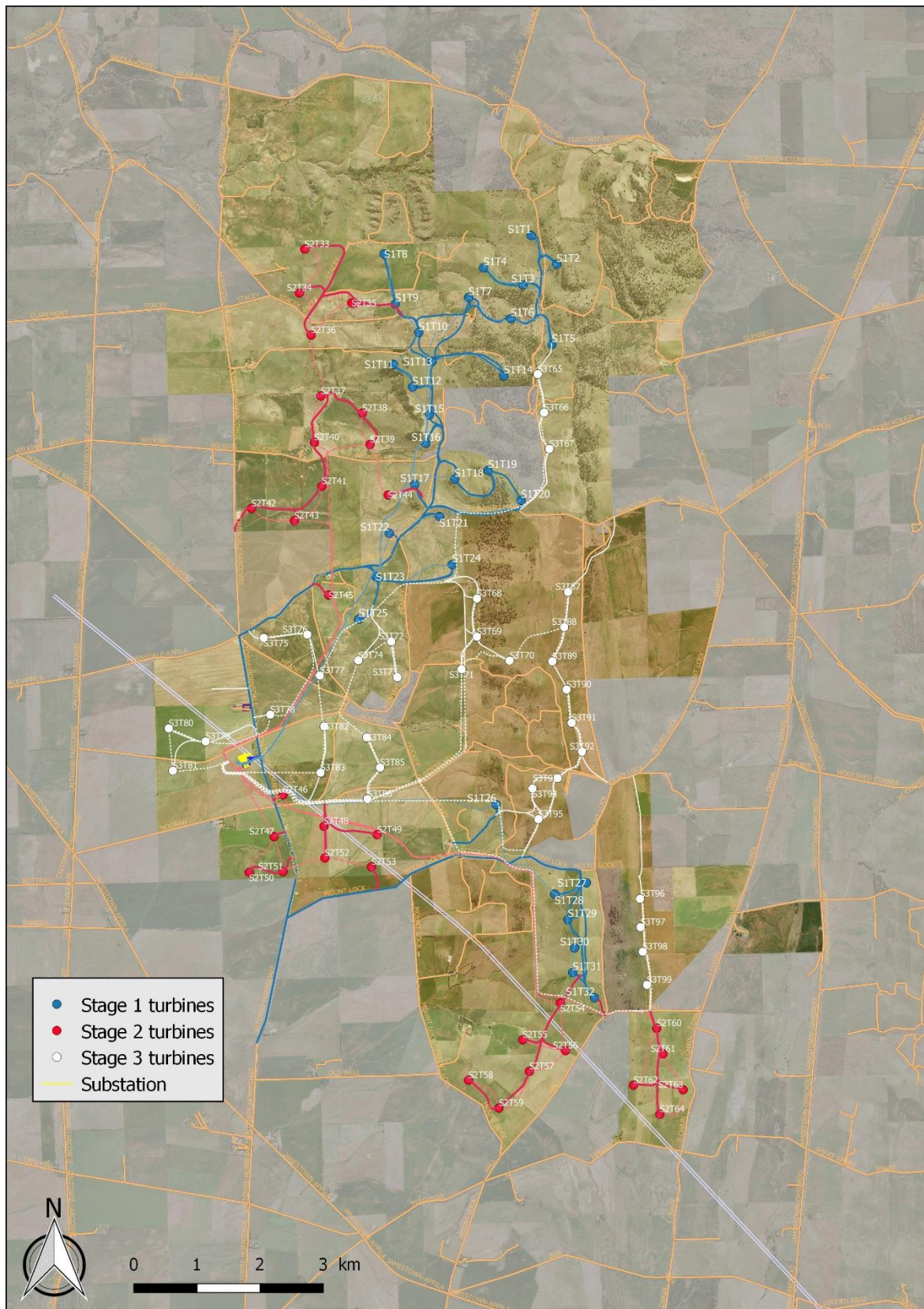
<sup>4</sup> The Commission will accept a copy of a Board minute (or circulating resolution) giving approval for the declarant to sign on behalf of the applicant as evidence of the relevant authority.

APPENDIX A – SITE LOCATION MAP





## APPENDIX B – HORNSDALE WINDFARM TURBINE LAYOUT





APPENDIX C – FINANCIAL STATEMENT

[Further files have been made available to the Commission:](#)

- Contracts Top/last pages
- Financial statements Neoen and John Laing 2012-2013-2014-2015
- Business Plan