

Thursday, 3 September 2020

Ms Kimberlee McKay
Director
Utilities Commission of the Northern Territory
Level 11, 19 The Mall
Darwin NT 0800

Dear Kimberlee,

Subject: Transfer of Generation Licence Application – Batchelor Solar Farm Pty Ltd to BSF Co Pty Ltd (ACN 635 853 137) as trustee for the BSF Unit Trust

Batchelor Solar Farm Pty Ltd (**BSF**) on behalf of BSF Co Pty Ltd (ACN 635 853 137) as trustee for the BSF Unit Trust (**BSF Co**) hereby applies to the Utilities Commission of the Northern Territory (**Utilities Commission**) for the transfer of the BSF Generation Licence dated 1 October 2018 to BSF Co in accordance with Section 33 of the *Electricity Reform Act*.

BSF Co has purchased the BSF grid connected solar photovoltaic project assets from BSF and is currently constructing the project known as the **Batchelor 2 Solar Farm**. Further, BSF has entered into a life-of-plant Power Purchase Agreement for one hundred percent (100%) of the electricity output of the Batchelor 2 Solar Farm with the Northern Territory licenced electricity retailer Rimfire Energy Pty Ltd (**Rimfire Energy**).

Please note that due to confidentiality BSF has not been provided with, and therefore has not reviewed, some annexures referred to in the attached *Application to transfer of a Standard Generation Licence* that have been submitted by BSF Co directly to the Utilities Commission.

BSF notes the view of the Utilities Commission regarding adopting a non-prescriptive form for licence applications. BSF Co has confirmed to us that the detailed information contained in the **attached Application to Transfer of a Standard Generation Licence** is provided based upon the specific information requirements set out in the current version of the Utilities Commission's Licencing Manual, including the following major subject areas (amongst others):

- Legal Identity;
- Contact Details;
- Licence Type;
- Licensee Details;
- Nature of Industry Participation;
- Technical Capacity; and
- Financial Viability.

We also note that we have reviewed the information contained in the current version of the Licence Fees Schedule and request that an invoice for the licence transfer application fee be sent to BSF as soon as practicable.

Rimfire Group ABN 61 157 740 282

enquiries@rimfireenergy.com.au www.rimfireenergy.com.au

Darwin Office

Level 1, 48-50 Smith Street, Darwin NT 0800
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(08) 8943 0650

Brisbane Office

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(07) 30109355

Please note the application contains a requested transfer date of 30 September 2020. We acknowledge this timeframe is perhaps shorter than customary and would greatly appreciate any actions the Utilities Commission may be able to take to expedite its process to achieve this outcome. The project funding includes debt funding as disclosed in the appendices and the project financiers are keen to see the formal transfer of the licences by 30 September 2020.

BSF is pleased to submit this licence transfer application and should the Commission have any questions or require any further information in order to positively assess BSF Co's suitability to be granted the licence for which it has applied and to determine the specifications of the licence conditions to apply, please contact Warren Bennett via email at (removed) or at (removed).

Regards

A handwritten signature in black ink, appearing to read 'Michael Allen', with a long horizontal flourish extending to the right.

Michael Allen
Managing Director
Batchelor Solar Farm Pty Ltd



APPLICATION FOR A LICENCE TO CARRY ON OPERATIONS IN THE NORTHERN TERRITORY ELECTRICITY SUPPLY INDUSTRY

Utilities Commission of the Northern Territory Electricity Licence completed application checklist, attachment list and declaration.

Checklist	Applicant Response
Application Summary	
Type of Licence / Licence Transfer <i>Licence transfer in accordance with section 7 of the Generation Licence and section 33 of the <u>Electricity Reform Act 2000</u></i>	<p>Application to transfer of the Batchelor Solar Farm Pty Ltd (BSF) Utilities Commission of the Northern Territory Generation Licence dated 1 October 2018 (Generation Licence) to BSF Co Pty Ltd as trustee for the BSF Unit Trust (BSF Co).</p> <p>All terms and conditions of the BSF Generation Licence to remain unaltered.</p> <p>Commercial-in Confidence: Annexure 1: BSF Generation Licence.</p>
Proposed Date of the Licence Transfer	30 September 2020
Proposed Term of the Licence	In accordance with the existing BSF Generation Licence.
Detailed summary of the proposed operation	<p>Power Plant Description: A 12.5MWp / 10MWac grid connected, ground mounted, single-axis tracking, solar photovoltaic power plant connecting to the Power and Water Corporation (PWC) Darwin-Katherine Network via the Zone Substation situated at Batchelor, NT (Batchelor 2 Solar Farm).</p> <p>BSF Co holds all of the necessary grid connection agreements with PWC (Generator User Agreement and associated Novation Deed from BSF to BSF Co), land rights (land lease) and permits and approvals.</p> <p>Power Plant Construction & Commissioning: The Batchelor 2 Solar Farm is under construction with Practical Completion scheduled for December 2020. BSF Co has entered into an Engineering, Procurement & Construction (EPC) contract with BSR EPC Pty Ltd (BSR) for the design, construction and commissioning of the power plant. PWC, as a component of the Generation User Agreement, is undertaking the grid connection works and commissioning and testing of the power plant.</p> <p>Operations & Maintenance: The Batchelor 2 Solar Farm power plant operations and maintenance are to be outsourced. The physical operations and maintenance are to be undertaken by BSR pursuant to an Operations, Maintenance and Service Agreement. The regulatory, compliance, contract management and overall asset responsibility is</p>

Merricks Capital Pty Ltd

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ABN 45 126 528 005 | AFSL No. 319477 | SEC No. 801 -72326



	<p>contracted to the BE Power Group of Companies (BE Power) under a life-of-plant (25 year) Asset Management Agreement.</p> <p>Electricity and Green Credit Sales:</p> <p>BSF Co has entered into a life-of-plant (25 years) Power Purchase Agreement (PPA) with the Northern Territory Licenced electricity retailer Rimfire Energy Pty Ltd (Rimfire Energy).</p> <p>Commercial-in Confidence:</p> <p>Annexure 2: PWC Generator User Agreement Annexure 3: PWC Deed of Novation & Amendment Annexure 4: BSR EPC Contract Annexure 5: BSR Operations, Maintenance and Service Agreement Annexure 6: BE Power Asset Management Agreement Annexure 7: Rimfire Energy Electricity Retail Licence Annexure 8: Rimfire Energy Power Purchase Agreement</p>						
<p>Geographical area where the operation is proposed</p>	<p>Batchelor 2 Solar Farm facility located at section 2937 Hundred of Goyder at 923 Batchelor Rd, Batchelor, NT adjacent to the PWC Batchelor Zone Substation.</p>						
<p>Evidence of the status of other essential regulatory approvals required for the operation</p>	<p>The Batchelor 2 Solar Farm holds the necessary permits and approvals for the development and operation of the power plant including:</p> <ol style="list-style-type: none"> 1. Generator User Agreement as novated to BSF Co (<u>Annexures B & C</u>); and 2. Certificate of Compliance with Permit for the Land Subdivision and associated permits, clearances and approvals. <p>Commercial-in Confidence:</p> <p>Annexure 9: Certificate of Compliance with Permit</p>						
<p>Corporate Information</p>							
<p>Legal Identity</p>							
<p><i>Applications should provide:</i></p> <ul style="list-style-type: none"> • <i>the full legal name of the Generation Licence Owner</i> • <i>the ACN</i> • <i>the registration jurisdiction</i> • <i>the full legal name of the Generation Licence Transferee</i> 	<p>TRANSFEROR (GENERATION LICENCE OWNER):</p> <table border="1"> <tr> <td>Company Name</td> <td>Batchelor Solar Farm Pty Ltd (BSF)</td> </tr> <tr> <td>ACN</td> <td>625 359 159</td> </tr> <tr> <td>State of Incorporation</td> <td>Queensland</td> </tr> </table>	Company Name	Batchelor Solar Farm Pty Ltd (BSF)	ACN	625 359 159	State of Incorporation	Queensland
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<p><i>Applications should provide:</i></p> <ul style="list-style-type: none"> • <i>the name and title of a nominated contact officer</i> • <i>their telephone, facsimile and/or e-mail details</i> • <i>a postal address</i> • <i>a street address</i> 	<table border="1"> <tr> <td colspan="2" style="background-color: #e0e0e0;">TRANSFEROR (BSF):</td> </tr> <tr> <td>Contact</td> <td>Michael Allen Managing Director Batchelor Solar Farm Pty Ltd</td> </tr> <tr> <td>Telephone</td> <td>(removed)</td> </tr> <tr> <td>Email</td> <td>(removed)</td> </tr> <tr> <td>Physical Address</td> <td>(removed)</td> </tr> <tr> <td>Postal Address</td> <td>(removed)</td> </tr> <tr> <td colspan="2" style="background-color: #e0e0e0;">TRANSFEROR (HCPS CO):</td> </tr> <tr> <td>Primary Contact</td> <td>Anne Forbes-Harper Company Secretary BSF Co Pty Ltd as trustee for the BSF Unit Trust</td> </tr> <tr> <td>Telephone</td> <td>(removed)</td> </tr> <tr> <td>Email</td> <td>(removed)</td> </tr> <tr> <td>Physical Address</td> <td>(removed)</td> </tr> <tr> <td>Postal Address</td> <td>(removed)</td> </tr> </table>	TRANSFEROR (BSF):		Contact	Michael Allen Managing Director Batchelor Solar Farm Pty Ltd	Telephone	(removed)	Email	(removed)	Physical Address	(removed)	Postal Address	(removed)	TRANSFEROR (HCPS CO):		Primary Contact	Anne Forbes-Harper Company Secretary BSF Co Pty Ltd as trustee for the BSF Unit Trust	Telephone	(removed)	Email	(removed)	Physical Address	(removed)	Postal Address	(removed)
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	<p>TRANSFEROR (HCPS CO):</p> <table border="1"> <tr> <td>Alternative Contact</td> <td>Warren Bennett Investment Manager (MC Power)</td> </tr> <tr> <td>Telephone</td> <td>(removed)</td> </tr> <tr> <td>Email</td> <td>(removed)</td> </tr> <tr> <td>Physical Address</td> <td>(removed)</td> </tr> <tr> <td>Postal Address</td> <td>(removed)</td> </tr> </table>	Alternative Contact	Warren Bennett Investment Manager (MC Power)	Telephone	(removed)	Email	(removed)	Physical Address	(removed)	Postal Address	(removed)
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Applicant details											
Key office holders, to include directors and senior management	<p>Directors & Executive Management</p> <p>The key office holders of BSF Co, BSF Hold Co Pty Ltd (ACN 635 851 339) and MC Power Hold Co Pty Ltd (ACN 635 824 501) are:</p> <ul style="list-style-type: none"> • Adrian Redlich (Director); • Andrew Torrington (Director); and • Anne Forbes-Harper (Company Secretary). <p>Investment management services will be provided by Merricks Capital Pty Ltd, with key personnel including:</p> <ul style="list-style-type: none"> • Warren Bennett (Investment Manager-MC Power) • Avi Zaacks (Head of Operations) • Anne Forbes Harper (General Counsel and Company Secretary) • David Wightman (Consultant, MC Power) • Tim Duignan (Energy Consultant, MC Power) <p>The operational team are provided below (refer Technical Information section).</p> <p>Commercial-in Confidence:</p> <p>Annexure 12: Biographies: Adrian Redlich, Andrew Torrington, Warren Bennett, Avi Zaacks, Anne Forbes-Harper, David Wightman and Tim Duignan.</p>										
Major Shareholders	<p>BSF Co is owned by BSF Holdco Pty Ltd as trustee for the BSF Hold Trust which in turn is owned by MC Power Holdco Pty Ltd as trustee for MC Power Hold Trust (MC Power).</p> <p>MC Power is a power infrastructure fund with a diverse range of investors.</p> <p>MC Power Holdco Pty Ltd is owned by Merricks Capital Holding Pty Ltd.</p>										
Summary of the corporate structure, associated entities and ownership structure if relevant	<p>Ultimate Control of BSF Co:</p> <p>Merricks Capital Pty Ltd is an Australian based investment manager established in 2007. Merricks invests in a wide range of hard assets in the property, infrastructure and agricultural sectors and currently has approximately \$2bn assets under</p>										



	<p>management, having deployed over \$5bn in global investment opportunities since inception. Merricks Capital Pty Ltd is both AFSL licensed and SEC registered.</p> <p>While BSF Co is wholly owned by the MC Power investment structure, MC Power is managed by Merricks Capital Pty Ltd as investment manager. Accordingly, the resources of Merricks Capital Pty Ltd are applied in the management of BSF Co and MC Power.</p> <p>The corporate and organisation structure is attached.</p> <p>Commercial-in Confidence:</p> <p>Annexure 13: BSF Co Corporate Structure</p> <p>Annexure 14: BSF Co Organisation Structure</p>
Description of the organisation's core activities	<p>BSF Co and the MC Power group have been established by the Merricks Capital group to build, own and operate the Batchelor 2 Solar Farm and other power generation assets in the Northern Territory including a 12 MW gas fired power plant in Wishart, NT (Hudson Creek Power Plant). The Batchelor 2 Solar Farm and Hudson Creek Power Plant represent an intended Stage 1 of MC Power's investment strategy with both projects having potential to expand generating capacity subject to permits and approvals. Additional assets may be added to the initial portfolio over time.</p>
Evidence the applicant is a resident of Australia	<p>Residency Status & Certificate of Registration</p> <p>The Applicant and its parent are Australian registered entities.</p> <p>A copy of the ASIC company extract for BSF Co is attached at Annexure 11. BSF Co is 100% owned by BSF Hold Co Pty Ltd (ACN 635 851 339) as trustee for the BSF Hold Trust.</p>
Evidence the applicant has the capacity to be sued in their own name in an Australian court	<p>BSF Co and its related entities are Australian incorporated entities and can sue and be sued in their own right.</p> <p>Other Matters:</p> <ul style="list-style-type: none"> • The Directors of BSF Co confirm there have been no enforcement actions or enforceable undertakings taken against the Directors over the past 10 years. • The Directors of BSF Co confirm there have been no previously revoked licences held by the Directors in any industry, nor any failed licence applications in any industry. • The Directors of BSF Co confirm there have been no past or present administrative or legal actions in relation to an authorisation or licence in any industry. • The Directors of BSF Co confirm that they have no unspent criminal convictions.
Evidence the applicant is not under external administration	<p>Administration or Bankruptcy Status</p> <p>The Transferee is not under external administration (refer to Annexure 11: ASIC Search).</p>
Industry Participation	
Existing operations in the electricity supply industry	<p>The Batchelor 2 Solar Farm is an initial investment for the MC Power Group and represents a cornerstone asset and entry into the electricity generation market in terms of asset ownership.</p> <p>In addition to the investment management resources provided to BSF Co by Merricks Capital Pty Ltd, BSF Co has secured in depth electricity supply</p>



	<p>experience through contracting external resources including by David Wightman and Tim Duignan (refer Annexure 15). David has a strong history in the development, financing and operation of power projects including involvement with Energy Developments Limited. Tim Duignan has very specific knowledge of and experience within the NT electricity market given his recent role as CEO of T-GEN.</p> <p>In addition, BSF Co has also secured specific industry expertise through an overarching Asset Management Agreement with BE Power. In providing asset management services throughout both the construction and operation phases, BE Power will supply industry knowledge, technical expertise and operational expertise to BSF Co. BE Power and Merricks Capital have a long-standing commercial relationship which has explored investment in a number of power generations assets in recent years.</p> <p>Refer to Annexure 12 for BSF Co (Merricks Capital) resources. Refer to Annexure 15 for operations of the BSF Co Asset Manager (BE Power Group Capability Statement).</p> <p>Commercial-in Confidence:</p> <p>Annexure 15: BE Power Group Capability Statement</p>
<p>Summarise the reasons why it intends to participate in the Northern Territory electricity industry and the broad nature of that participation.</p>	<p>BSF Co and MC Power are undertaking a long-term and significant investment in the Northern Territory electricity industry via the development and operation of the Batchelor 2 Solar Farm and the Hudson Creek Power Plant. These investments will be managed by Merricks Capital Pty Ltd to provide MC Power's investors with an attractive, stable and long-term return facilitated via life of asset PPAs with Rimfire Energy.</p> <p>BSF Co and Merricks Capital are cognisant of the Northern Territory Government's energy policy outlined in the Road Map to Renewables Policy, being the achievement of 50% renewable electricity supply by 2030, whilst maintaining secure, reliable and least cost electricity for consumers and taxpayers.</p> <p>The Batchelor 2 Solar Farm and other related MC Power Fund projects in the Northern Territory are specifically designed to meet the objectives of the Northern Territory Government.</p> <p>BSF Co and MC Power recognise the opportunity to participate in the NT electricity market brought about by recent deregulation and are keen to support the drive toward a more competitive supply market thus offering consumers choice and ultimately cheaper electricity.</p>
<p>Explain how the granting of a licence would be consistent with those requirements.</p>	<p>More specifically, BSF Co (through the development and operation of the Batchelor 2 Solar Farm) will:</p> <ol style="list-style-type: none"> a. Provide additional Renewable Energy (10MW); b. Be a low-cost producer of electricity. The electricity generated by the Batchelor 2 Solar Farm will be sold (with attached green credits) to a locally owned and operated licenced electricity retailer (Rimfire Energy) on a life-of-plant basis at a competitive wholesale price further facilitating price contestability to consumers; and c. The power plant is designed to meet the recently revised PWC Generator Performance Standards and Technical Standards to ensure reliability and security of electricity supply.
<p>Authorisations held in other jurisdictions</p>	<p>The Batchelor 2 Solar Farm Asset Manager (BE Power) holds a controlling interest in a National Electricity Market (NEM) licenced electricity retailer.</p>



Financial Details	
Most recent audited financial reports	BSF Co and MC Power Co are recently incorporated Special Purpose Vehicle's (SPV) for the purpose of owning and operating the Batchelor 2 Solar Farm (and in the case of the MC Power Fund also the Hudson Creek Power Plant, NT). Neither entity currently has audited accounts.
For new entities, detailed cash flow analysis for five years based on projected sales scenarios, including details of assumptions, information source/s and customer underlaying scenarios	<p>BSF Co has contracted to sell 100% of the generated energy from the Batchelor 2 Solar Farm to Rimfire Energy pursuant to a life-of-plant (25 years) PPA. The detailed 10-year cash flow analysis is attached as <u>Annexure 16</u>. Cash Flow Forecast assumption validation is derived from information contained in <u>Annexures 4, 5, 6 and 8</u>.</p> <p>Commercial-in Confidence: Annexure 16: BSF Co Cash Flow Forecast</p>
Where the applicant is a subsidiary company, audited financial reports for the parent company	BSF Co, BSF Holdco Pty Ltd and MC Power Holdco Pty Ltd are newly established entities established for the purpose of developing, owning and operating the two identified greenfield generating assets in the NT Market. Accordingly, none of the group entities have been required to prepare audited accounts at this point in time.
Copies of any information submitted to ASIC under chapter 2M of the <i>Corporations Act 2001</i> over the past three years	Not applicable.
Evidence the applicant is able to finance the assets and investment necessary to undertake the licenced activities	<p>BSF Co is fully funded for the construction and operation of the Batchelor 2 Solar Farm. Construction of the power plant is well advanced with practical completion due December 2020. A significant portion of the required invested capital has been expensed to date.</p> <p><u>Annexure 17</u> confirms the funding status of BSF Co.</p> <p>Commercial-in Confidence: Annexure 17: BSF Co Finance Certification.</p>
Projected revenue and expenditure figures for at least five years	The detailed 10-year cash flow analysis is attached as <u>Annexure 16</u> .
Information about assumptions, risks and risk management strategies	<p>BSF Co has undertaken a detailed and documented risk assessment internally (and validated externally) for the construction phase and operations phase.</p> <p><u>Annexure 18</u> contains the summary risk assessment matrix.</p> <p>Commercial-in Confidence: Annexure 18: BSF Co Risk Assessment Matrix.</p>
Retail applicants	Not applicable.



Technical Information

The applicant must identify all of the relevant licence and legislative requirements and show they have the technical capacity to comply with these requirements

The relevant licence, legislative and technical requirements for the construction and operation of the Batchelor 2 Solar Farm include (but are not limited to):

1. Electricity Reform Act 2000.
2. Electricity Reform (Administration) Regulations 2000.
3. System Control Technical Code.
4. Network Technical Code.
5. Electricity Industry Performance Code.
6. National Electricity Rules (as applicable to the Northern Territory).
7. Safety Management & Mitigation Plan (SMMP) consistent with good industry practice.

BSF Co assets and operations are managed by BE Power (a joint venture partner of Merricks Capital) on a long-term basis pursuant to an Asset Management Agreement.

The BE Power Group of Companies have the necessary specialist knowledge, technical capacity and systems to manage the BSF Co prudential, technical and system requirements. Refer to Annexure 15: BE Power Group Capability Statement.

BSF Co has entered into an EPC Contract with BSR for the design, construction, commissioning, testing and physical operations and performance of the Batchelor 2 Solar Farm. BE Power acts in the capacity as the owners engineer and project director for delivery of the EPC contract on behalf of BSF Co.

BE Power is currently undertaking the Operational Readiness Planning for the Batchelor 2 Solar Farm including the preparation of a detailed SMMP specific to the project. The Operation Readiness Plan and associated policies, procedures and systems are to be independently reviewed and verified. The BSF Co Operation Readiness Plan Outline is attached as Annexure 19.

Commercial-in Confidence:

Annexure 19: BSF Co Operational Readiness Plan Outline

Experience & knowledge of the electricity supply industry

BSF Co is managed by Merricks Capital Pty Ltd. The Directors of BSF Co have engaged the necessary expertise to successfully develop, build, own and operate the HCPP, including:

1. Internal resources:
 - 1.1 David Wightman
 - 1.2 Tim Duignan
2. External resources:
 - 2.1 BE Power (Asset Manager) – refer to Annexure 6: Asset Management Agreement.

BE Power has a joint venture with Merricks Capital for the development and operation of energy projects within Australia. Currently BE Power in conjunction with Merricks Capital is developing in excess of A\$1bn in electricity projects across the NEM and the Northern Territory.

The BE Power experience and knowledge is included in Annexure 15: BE Power Group Capability Statement.



<p>Summary of human resources available to the proposed operation</p>	<p>In addition to the resources identified in <u>Annexures 12 and 15</u>, operational phase human resources for the Batchelor 2 Solar Farm are included in <u>Annexure 19: BSF Co Operational Readiness Plan Outline</u>.</p>
<p>Summary of the skills and experience of the directors and senior managers</p>	<p>Refer to <u>Annexures 12 and 15: BE Power Group Capability Statement</u>.</p>
<p>If the applicant is to rely on another entity to provide staff and resources, a summary of the relationship between the applicant and this entity, including any formal agreements to provide services, and a summary of this other entity's experience in and knowledge of the electricity supply industry, and technical capacity to meet relevant requirements of the licence.</p>	<p>As stated above BSF Co has engaged BE Power via a life-of-plant Asset Management Agreement to manage and coordinate the design, delivery and operation of the Batchelor 2 Solar Farm.</p> <p>Physical on-site operations and maintenance is undertaken by BSR (<u>Annexure 5: BSR Operations and Maintenance Contract</u>). BE Power holds management oversight and ultimate responsibility for BSR performance.</p> <p>In accordance with the Asset Management Agreement BE Power will be responsible for the following key activities (but are not limited to):</p> <ol style="list-style-type: none"> 1. Regulatory Compliance: Compliance of BSF Co to all regulatory, technical, standards and other statutory compliance requirements. 2. Corporate Governance: Ensure compliance to all corporate governance requirements. 3. Occupational Health & Safety: Ensure compliance to all laws. 4. Operational & Business Planning: Implement the operation and business planning including reporting to BSF Co and other relevant agencies. 5. Risk & Compliance: Development and adherence to the Operations Plan including management of risk and compliance. 6. Contract management: Compliance to all contract obligations of BSF Co. 7. Project Management: Design review and construction management services including the provision of Owners Engineer and Project General Management. 8. Technical Management: Management oversight of the power plant performance and compliance. 9. Operations Management: Preparation of and adherence to the Operation Management Plan. 10. Plant Maintenance: Management oversight of BSR. 11. Insurances: Management of insurance policies. 12. Community Liaison: General community engagement including implementation of the BSF Co indigenous engagement plan. 13. Stakeholder Management: Including relevant government agencies with respect to reporting, permits, consents, licences and approvals. 14. Clean Energy Regulator: Management of the creation of Large Generation Certificates or other relevant green credit schemes. 15. Financial Administration: The administration and reporting of BSF Co financial status. 16. Consultant Management: From time-to-time BSF Co may engage consultants. BE Power is to manage engagement with third parties. <p>BE Power's capability and experience in undertaking overall management of the Batchelor 2 Solar Farm is outlined in <u>Annexure 15: BE Power Capability Statement</u>.</p>
<p>Evidence that negotiation of the relevant agreements necessary to undertake electricity operations in the Northern Territory</p>	<p>The key agreements / permits & approval to undertake electricity operations in the Northern Territory are:</p> <ol style="list-style-type: none"> a. Generator User Agreement (as novated to BSF Co); b. Development Permits & Approvals; and



	<p>c. Power Purchase Agreement to a licenced electricity retailer for the sale and purchase of electricity (and green credits).</p> <p>BSF Co holds the aforementioned agreements and permits / approvals. Refer to <u>Annexures 2, 3, 8 and 9</u>.</p>
Description of the physical environment of the proposed operation and its immediate vicinity	<p>The Batchelor 2 Solar Farm is being constructed directly adjacent to the PWC Batchelor Zone Substation, Batchelor NT. The solar farm is situated on approximately 20 hectares of land previously utilised for rural purposes.</p> <p>Detailed Environmental Impact Studies, land benchmark studies and other relevant studies have been undertaken and approved by the appropriate authorities. The approvals are a component of the Certification of Compliance with Permit issued by the Northern Territory Minister for Infrastructure, Planning and Logistics. A provision of the land access agreements includes; the provision to 'make-good' / site remediation at the end of the power plants life.</p> <p>Neighbouring the Batchelor 2 Solar Farm is the Batchelor 1 Solar Farm (also under construction). The Batchelor 1 Solar Farm is owned by an unrelated entity to the Merricks Capital Group. The balance of the land surrounding the Batchelor 1 & 2 Solar farms is rural.</p>
Description of supply infrastructure and interconnected infrastructure systems	<p>The Batchelor 2 Solar Farm is connected to the grid via the PWC Batchelor 2 Zone Substation.</p> <p>Detail of the connection architecture is outlined in the Generator User Agreement.</p>
Construction schedule	<p>The Batchelor 2 Solar Farm is at an advanced stage of construction with practical completion scheduled for December 2020.</p> <p>Commercial-in Confidence: Annexure 20: BSR Construction Program</p>
Cross-ownership and Ring Fencing	
<p>Applicants should outline:</p> <p>The basis on which services and resources will be transacted between relevant operating areas of the applicant, or the applicant and other related entities;</p>	<p>The services and resources transacted between the relevant operating areas are to be undertaken by way of a detailed EPC contract and Operations and Maintenance Contracts.</p> <p>BSF Co will be the Licencee.</p> <p>Refer to <u>Annexure 14: Organisation Chart</u> for the inter-relationship between the parties.</p>
<p>In the case of applicants that are wholly owned subsidiaries, proposed audit arrangements for the applicant and whether separate reports for the licensed entity and its parent are to be prepared and made publicly available;</p>	<p>BSF Co and its parent BSF Holdco Pty Ltd are to be externally audited annually commencing from 30 June 2021.</p> <p>BSF Co and BSF Holdco Pty Ltd consider their financial reports to be commercial in confidence and do not intend to publicly release their financial reports.</p>
<p>Other guidelines or standards relating to financial separation, ring-fencing, and separate audit arrangements, which the applicant intends to follow.</p>	<p>BSF Co will comply with its existing obligations under the <i>Corporations Act 2001 (Cth)</i> with respect to financial reporting and audit.</p>



Exemption	
Details and justification for any exemption sought	Not applicable.
Licence Conditions	
Details and justification for any specific licence conditions sought	Not applicable.

Declaration

I declare the information provided is true and correct to the best of my knowledge, information and belief, and I am aware of the requirements of the *Electricity Reform Act* for the licence being applied for and I have the legal right to make this application on behalf of the applicant.

Signed:

Signed:

DocuSigned by:

4209AB7FF2A3460...
Adrian Redlich
Director
BSF Co Pty Ltd

DocuSigned by:

87D61406646C45B...
Andrew Torrington
Director
BSF Co Pty Ltd

Date: 26-Aug-20 | 6:24 PM AEST

Date: 26-Aug-20 | 12:27 AM PDT



ANNEXURES

ANNEXURE	DESCRIPTION
1	Batchelor Solar Farm Pty Ltd Generation Licence
2	PWC Generator User Agreement
3	PWC Deed of Novation & Amendment
4	BSR EPC Pty Ltd EPC Contract
5	BSR Operations, Maintenance and Service Agreement
6	BE Power Asset Management Agreement
7	Rimfire Energy Electricity Retail Licence
8	Rimfire Energy Power Purchase Agreement
9	Certificate of Compliance with Permit
10	BSF Co Certificate of Registration
11	BSF Co ASIC Search
12	BSF Co Biographies: Adrian Redlich, Andrew Torrington, Warren Bennett, Avi Zaacks and Anne Forbes-Harper
13	BSF Co Corporate Structure
14	BSF Co Organisation Structure
15	BE Power Group Capability Statement
16	BSF Co Cash Flow Forecast
17	BSF Co Finance Certification
18	BSF Co Risk Assessment Matrix
19	BSF Co Operational Readiness Plan Outline
20	BSR EPC Construction Program