

Registered Office:
Level 29, 111 Eagle St
Brisbane QLD 4000
T: 07 3002 2530
F: 07 3211 7555
E: mrennie@northernpower.com.au

14 September 2015

Dr Patrick Walsh
The Commissioner
Utilities Commission of Northern Territory
Level 9, 38 Cavenagh Street
Darwin NT 0800

Dear Dr Walsh,

RE: NORTHERN POWER - PROJECT UPDATE

This letter provides an update to the Commission on Northern Power's ("NP") proposed 60 Megawatt gas fired power station on the Wickham Point Peninsula (the "Project"). The Project is currently in the pre-development phase and is progressing key approvals, engineering and commercial arrangements to confirm project economics prior to proceeding to finalisation of financing arrangements for the Project ("Financial Close"). Financial Close is anticipated towards the end of 2015, with the construction phase commencing immediately thereafter.

Macquarie Capital Limited (MCL) and GE are the development sponsors for Northern Power and have been working together to provide the relevant authorities and the Government of the Northern Territory with a reliable, efficient, lower cost electricity generation solution. Previously, Northern Power had proposed that its principal Project equipment would consist of industrial gas turbine driven generators and steam turbine generators. Through subsequent extensive due diligence by GE, a change in plant has been proposed to the reciprocating GE Jenbacher 620 engine. This change has been proposed to enhance the power stations reliability and provide the best value for money solution for the Northern Territory.

The proposed principal Project equipment will now consist of;

- 21 x GE Jenbacher 620 engines
- HV Grid Connection
- High Voltage Switchyard
- Pressure Reduction and Metering Skid
- Water treatment system

Northern Power is in the process of engaging Clarke Energy as the EPC and O&M Contractor for the proposed Power Station. Clarke Energy is the authorised distributor and service partner for GE's Jenbacher gas engine in Australia. Clarke Energy is committed to delivering high quality installations and providing reliable, long term maintenance support, having delivered in excess of 500MW for a wide range of clients. They have a proven track record in delivering, operating and maintaining power stations nationwide.

Northern Power looks forward to working with the Northern Territory Utilities Commission in its application for a Generator License, and will provide further updates to the Commission as the project advances through the next phases.

Yours Sincerely,



Matt Rennie
Chairman
Northern Power