

**MEDIA RELEASE**

**Canberra, 01 March 2017**

***Neoen, John Laing and Megawatt Capital secure Financial Close for the final stage of Hornsdale Wind Farm (SA), one of the most competitive renewable energy projects in Australia.***

Leading French renewable energy firm, Neoen, leading international infrastructure investor, John Laing, and Neoen's local partner Megawatt Capital, have today secured financial close for the 109MW third and final stage of Hornsdale Wind Farm, which once fully commissioned will have a total capacity of 309MW.

Hornsdale Wind Farm stage 3 is setting a new benchmark in Australia by reaching financial close with a highly competitive non-inflating long term cost of energy, successfully securing all funding while covered by one of Australia's most competitive renewable electricity supply contracts at a fixed 20-year rate of \$73/MWh.

All three stages of the Hornsdale wind farm have contracted their energy production through long term Feed-in-Tariffs with the ACT government, awarded through competitive wind and next-generation renewables auctions. In addition, all three stages will generate low-cost power into the South Australian electricity network which is a win-win for both ACT and South Australian electricity consumers.

*Franck Woitiez, Managing Director of Neoen Australia, commented that:*

*"With the Hornsdale Wind Farm Stage 1 (100MW) now complete, and construction well under way for Stages 2 (100MW) and 3 (109MW), Neoen is proud to be delivering a low-cost renewable energy future to the ACT and South Australia. Being a long-term shareholder and renewable energy producer allows Neoen to be at the forefront of technologies and decreasing costs of renewables, which is good for Australia. Neoen now has 455MW of Wind and Solar generators in construction or operation in Australia, and our target for 2020 is to develop, build and operate at least 1GW of competitive, sustainable and clean energy assets."*

One of the main factors behind the low-cost project economics is the long-term focus of the parties involved.

KFW IPEX-Bank and Societe Generale have firmed-up for the third time a long-term structured finance package for the Hornsdale Wind Farm, reinforcing both groups relationship with Neoen in Australia and globally.

Investec provided Junior Financing to the project, in line with its past commitments on Stage 1 and Stage 2.

*Mark Schneider of Megawatt Capital Investments, said that:*

*"The ACT Government are clearly at the forefront of long-term sustainable energy policy in Australia. The Government's vision and strategy in this area have secured the lowest cost renewable energy contracts in Australia and created a long-term sustainable industry innovation hub in the national capital. Neoen will own and operate the assets over their 20-plus year life through their established Australian operations hub. Leading technology supplier Siemens have agreed to provide long term maintenance on the equipment supplied, and our debt providers have agreed to provide competitive, long term financing for the project reflecting these long-term commitments. It's a virtuous cycle, and one that has led to an outstanding result"*

Blair Townsend, John Laing, Managing Director of Primary Investments - Asia Pacific, said:

*“Renewable energy remains an important growth sector for John Laing globally and we are very proud to again be partnering with Neoen to provide renewable energy to the ACT Government. The Hornsdale Wind Farm represents our fourth renewable energy investment in Australia and is another example of John Laing’s increasing commitment and standing in the Asia Pacific market. Along with its portfolio of wind and biomass renewable energy projects in the UK, Europe and the US, this demonstrates our strong expertise in the renewable energy sector across our geographies.”*

Today’s announcement follows the news that Hornsdale, in co-operation with AEMO and ARENA, is undertaking an Australian-first trial of Frequency Control (FCAS) services from a wind farm. Under this trial, AEMO will direct Hornsdale to provide grid stabilising services to the National Electricity Market in reaction to rapid changes in supply/demand and other system conditions that have the potential to affect the stability of the South Australian network.

Through the trial, the owners of Hornsdale wind farm together with ARENA and the market operator, AEMO, plan to explore untapped grid-stabilising potential within the advanced Siemens wind power technology.

Hornsdale Wind Farm is being built by Siemens which is providing 99 Wind Turbines (SWT 3.2MW), alongside with South Australian firms Catcon and CPP, allowing for the local economy to benefit from a global investment of more than \$870m for the 3 stages of Hornsdale Wind Farm.

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## Media contacts

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## About Neoen

*Neoen is an independent power producer, generating electricity from renewable sources (solar, wind or biomass). Neoen develops, finances, builds and operates plants and is active in France, Portugal, Australia, Mexico, Egypt, Mozambique, Jamaica, Zambia, Jordan and El Salvador. With a current operating base of 1GW, Neoen seeks to achieve installed power of over 3,000MW by 2020. Founded in 2008, the company is a subsidiary of Impala SAS ([www.impala-sas.com](http://www.impala-sas.com)), a diversified investment group with over 6,000 employees and a global presence, of Bpifrance ([www.bpifrance.fr](http://www.bpifrance.fr)), the French public investment bank, and of private equity firm Omnes Capital ([www.omnescapital.com](http://www.omnescapital.com)).*

[www.neoen.com](http://www.neoen.com)

## About Megawatt Capital

*Megawatt Capital is a specialist Renewable Energy investor and adviser, established in 2013 to apply the power investment expertise and experience of its executives, led by Mark Schneider, who formerly headed the Australian Power Investment business for Investec Bank.*

*The company undertakes two complementary activities; firstly acting as a principal in leading or participating in the development of renewable energy projects, and secondly in supporting organizations active in the cleantech, renewable energy and general power sectors by arranging equity and debt finance and assisting in shaping and implementing business strategies.*

[www.megawattcapital.com.au](http://www.megawattcapital.com.au)

## About John Laing

*John Laing is a leading international originator, investor and manager of infrastructure projects. By combining its skill in the management of development risk, project financing, asset management and operations with those of its chosen partners and the project supply chain, it has built an enviable reputation as a market leader in privately financed infrastructure. John Laing’s key target sectors include rail, roads, renewable energy, waste, health and social infrastructure (including schools and social housing) focusing on markets in Asia Pacific, North America, the UK and Continental Europe.*

[www.laing.com](http://www.laing.com)