

3.1 Confidential - Futurtec Project

Details the outcomes of stage 2 of the request for proposal (RFP) procurement process and the subsequent steps to progress the Futurtec project.

This is an update on a previously reported project, concept or issue.

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Attachments:	<ol style="list-style-type: none">1. RFP document (35 pages)2. Proposal comparison table (1 page)3. Power purchase costs (2 pages)4. Analysis of SARC proposal (1 page)5. RFP scoring results (1 page)6. Letter from probity advisor (1 page)7. Bioenergy fact sheet (2 pages)8. Comparison - staged approach (1 page)9. Letter from SARC (3 pages)10. Flowchart – next steps (1 page)

1 Executive summary

1.1 Topic

Details the outcomes of stage 2 of the request for proposal (RFP) procurement process and the subsequent steps to progress the Futurtec project.

1.2 Context

At its meeting on 7 September 2010 Council approved the implementation of the request for proposal process with the four (4) approved shortlisted respondents; the objective of which was to identify a preferred respondent with whom to further negotiate the development of the Futurtec project.

This report details the recently conducted RFP process, evaluation outcomes, submission analysis and seeks Council direction for the further development of the project.

1.3 Suggested outcome

It is suggested that Council consider this item in confidence under Section 90(3)(k) of the *Local Government Act 1999*. This report is presented as a confidential item as it details the subject matter of an ongoing tender process which includes commercial proposals for the development of the Futurtec project. The possible implications of not considering this item in Confidence could reasonably be expected to compromise an ongoing tender process.

That Council note the outcomes of stage 2 of the RFP procurement process and consider further advancing the Futurtec project by commencing negotiations with the currently preferred respondent, Southern Adelaide Renewables Consortium (SARC), on a non-binding basis.

Further clarification with SARC has identified that a staged approach is achievable to independently advance the biomass and solar components proposed for the Renewable Energy Precinct (REP) land. The recommended staged approach would accommodate the potential scheduling risks associated with the biomass concept to be progressed by SARC separate to the continuation of the solar and Meyer Road Precinct (MRP) components of the proposal further discussed in this report.

2 Recommendation(s)

1. That:

- a. under the provisions of Section 90(2) of the *Local Government Act 1999*, an order be made that the public be excluded from attendance at the meeting in order to consider in confidence this item.**
- b. the Council is satisfied that it is necessary that the public be excluded to enable the Council to consider the information at the meeting on the following grounds:**

Section 90(3)(k) tenders for the supply of goods, the provision of services or the carrying out of works;
- c. accordingly, on this basis the principle that meetings of the Council should be conducted in a place open to the public has been outweighed by the need to keep the information or discussion confidential.**

2. That this report be received and noted.

- 3. That the Southern Adelaide Renewables Consortium be approved as the preferred respondent following the stage 2 request for proposal procurement process.**
- 4. That Council delegate its authority to the Chief Executive Officer to undertake commercial negotiations with the Southern Adelaide Renewables Consortium for the execution of any necessary non binding legal documentation.**
- 5. That Council approve the progression of a staged approach for the biomass and solar components of the Renewable Energy Precinct land and the development of the Meyer Road Precinct land as outlined in the Southern Adelaide Renewables Consortium proposal.**
- 6. That Council provide advocacy support for appropriate funding opportunities sought by the Southern Adelaide Renewables Consortium.**
- 7. That a further report be presented to Council that details the progress of the Southern Adelaide Renewables Consortium proposal and negotiation outcomes by September 2011.**
- 8. That Council select Southern Adelaide Renewables Consortium as the preferred tenderer for Contract No 10070 as it:**
 - presented a commercial proposal that addressed key evaluation criteria**

- **offered a superior concept technology**
- **provided greater economic development benefits**

9. That an order be made under the provisions of Section 91(7) and (9) of the Local Government Act 1999 that the abovementioned document (or part of such document) including the minutes and the report of the Council relating to discussion of the subject matter of that document with the exception of part 8 of the recommendation and resolution, having been dealt with on a confidential basis under Section 90 of the Act, should be kept confidential on the grounds of information contained in 90(3)(k) until the procurement process is complete and legal documents executed.

Key factors

3 Discussion

3.1 Planned Evaluation Process

An evaluation plan was developed and subsequently approved by the probity advisor prior to the closing of the stage 2 process. The evaluation plan details the opening / closing procedure, evaluation criteria, weightings and the adopted approach for the evaluation and scoring of responses.

An evaluation panel and non-voting technical experts were selected to conduct an independent assessment of each proposal.

The evaluation panel comprised of the following internal staff:

- Bruce Williams - General Manager Projects and Services (chair)
- Brian Hales - Group Manager Economic Development
- Maggie Hine - Group Manager Sustainability
- Kirk Richardson - Manager Infrastructure and Projects
- Kathryn Kuchel – Contracts Engineer
- Brian Fitzpatrick – Project Leader

Technical experts (specialist advisers) were engaged to provide advice to the evaluation panel during the RFP processes. The advisors were:

- Peter Agars – Accountant, Business Analysis and Financial Advisor
- Andrew Nance – St Kitts Associates, Renewable Energy Advisor
- John O'Brien - Australian CleanTech, Cleantech Advisor
- Matthew Adcock – Leedwell Strategic, Property Advisor
- Judith Bradsen – Minter Ellison, Legal Advisor
- Brenton Ellery – Edwards Marshall, Probity Advisor

3.2 Response to Request For Proposal

The RFP was issued to the approved shortlisted respondents on 22 October 2010 and closed on 9 December 2010. The four respondents invited to progress to Stage 2 were:-

- Southern Adelaide Renewables Consortium (SARC)
- Ingenero
- Jott Engineering/ United Microelectric Corporation/ Leighton Contractors
- Nu Energy

The RFP document (Attachment 1) specified the criteria that each submission would be evaluated against including the information required to be submitted as a minimum.

All parties were invited to attend a formal briefing session under a probity framework to reinforce project objectives, procurement processes and provide respondents with an opportunity to seek clarification.

Both Jott Australia and Nu Energy confirmed that they were not in a position to submit a proposal and formally withdrew from the RFP process prior to its closure.

Compliant proposals were received from Ingenero and SARC to develop the REP and MRP elements of the Futurtec concept. The key features of each proposal, in line with the key criteria, are outlined below and further information provided in table format (Attachment 2).

Each of these proposals identified that both wind and landfill gas extraction were not viable energy sources for this site and therefore focused on other renewable energy options.

3.2.1 Ingenero Proposal

Proponents

The Ingenero consortium consists of the following commercial partners:-

- Ingenero - national solar generation company with its head office in Queensland;
- EESI Contracting - environment management;
- Emmett Property – Adelaide based property development company; and
- Moss Capital – venture capital company.

Land purchase

Ingenero offer to lease the REP land for \$1.00 per annum for the life of the project rather than a direct purchase.

The proposal included a highly conditional MRP land purchase offer for an unspecified amount that would be negotiated as part of stage 3 negotiations.

Risk transfer

A conditional acceptance was provided for the transfer of environmental risk exposure associated with the former landfill use. The transfer would, however, be limited in affect and ultimately retained by us in our continued capacity as land owner.

Power purchase

Ingenero's proposed energy cost is a fixed 24.8c/kWh rate over a 15 year term or 23c/kWh rate over a 20 year term. Both include a 3.5% per annum increase.

Net Present Value

The advisors prepared an assessment of the financial and risk proposals submitted. For assessment purposes, a Net Present Value (NPV) model of both the power purchase agreement and land value for the MRP and REP sites was undertaken. The outcome of the NPV analysis indicated a negative \$17,668,577 result.

REP technology

Ingenero has successfully completed various large scale solar PV installation projects across Australia.

Rather than a hybrid solution, the proposal features fixed solar PV panels, with a battery power storage option. The proposal covers the entire REP site and encroaches upon a portion of natural vegetation zone excluded from development to generate 4.8 MW of renewable energy that represents approximately 75% of our current electricity needs.

Capital funding model

The project has an estimated project value of \$26M and relies on \$12M (or 46%) state and federal government funding and \$4M (or 15%) community investment as a condition precedent for the project to proceed. The ability to realise this level of grant and community investment for a solar only project was identified as a key risk in the evaluation panel's assessment of the Ingenero proposal.

Community investment

Details of the community investment model were considered by the evaluation panel to be lacking in detail.

Implementation plan

The proposal timeframes are largely dependant upon grants and community investment.

Financial capacity

The evaluation panel were satisfied with the level of financial capacity of the Ingenero consortium partners.

MRP development

Details of the MRP development were lacking with the consortium developer identifying its need to potentially expand the land use to include non clean-tech industries in order to be a viable concern.

3.2.2 Southern Adelaide Renewables Consortium Proposal

Proponents

The SARC consortium consists of the following commercial partners:-

- ResourceCo – environmental solutions and resource recovery - current lessee of the former landfill (REP) site and adjoining land owner
- Solar Shop Australia – national solar generation company with its head office in Adelaide
- Citimark Properties – national property development company – Queensland based
- Moss Capital – venture capital company
- Hassell – Adelaide based design and planning firm

Land purchase

The proposal includes an offer by ResourceCo to purchase the REP land for \$2M at the time of settlement and an offer by Citimark to purchase the MRP land for \$3.6M (\$5.6M total) under a staged arrangement. Subject to Council approval, further details of the proposed staged arrangements would be requested as part of stage 3 negotiations.

Risk transfer

The SARC proposal accepts the transfer of environmental liability. ResourceCo are the current lessee of the REP / landfill site and are therefore familiar with the associated environmental issues. An update on the formal closure of the landfill site appears later in this report.

Power purchase

The SARC expects the solar component will exclusively cover our annual demand of metered (peak) consumption with the unmetered street lighting and off peak load provided by the biomass plant. An analysis of power purchase costs is included at Attachment 3.

Net Present Value

The advisors prepared an assessment of the financial and risk proposals submitted. For assessment purposes, an NPV model was prepared for both the power purchase agreement and land value for the MRP and REP sites was prepared. A complete analysis of the preferred proposal would be undertaken as part of the stage 3 negotiations to assess the total impact to council.

The analysis determined the SARC proposal as being negative \$6,222,951. An analysis of the SARC proposal is contained at attachment 4.

REP technology

The SARC proposal presents a hybrid energy concept consisting of sun tracking single axis, solar PV panels proposed to cover a portion of the overall REP land and generate 2MW of renewable energy. A biomass plant with the capacity to generate 10MW's of energy is also proposed to be located on the REP site. A further discussion concerning the biomass concept is provided later in this report.

Capital funding model

The full proposal has an estimated project value of \$50M and relies on a grant fund allocation of \$5M to be viable. The level of successful funding is linked to the proposed power purchase agreement in which electricity rates reduce as the level of grant funding increases. The biomass plant component does not rely upon any grant funding.

Community investment

Details of the community investment model were considered by the evaluation panel to be lacking. Subject to Council approval, further details of SARC'S community investment approach will be requested as part of stage 3 negotiations.

Implementation plan

The SARC proposal allows for a 6 month timeframe (18 months in total) for each of the following stages of the project:

- feasibility phase (including funding and approvals)
- project initiation and system design
- construction

Financial capacity

The evaluation panel were satisfied with the level of financial capacity of the SARC consortium partners.

MRP development

Under the proposal, Solar Shop Australia would relocate its national head office and warehousing facilities with over 150 employees to the MRP site as an 'anchor tenant' to attract other clean-tech industries creating significant economic development opportunities. Identified within the submission, Stellar Energy and SunRay trackers have also indicated an interest in relocating to the MRP site.

3.3 Initial Evaluation of Proposals

The evaluation panel allocated team scores (out of 10) against the set evaluation criteria. A net present value (NPV) analysis prepared by the financial consultant was used as the basis for scoring the financial element of the proposals.

The evaluation process resulted in SARC being identified as the highest scoring submission with the following final weighted scores (out of 10) being allocated against each proposal:-

- SARC 6.45
- Ingenero 3.7

A summary of the RFP scoring results (including sub-scoring of criteria 2 – concept and technology) is provided at attachment 5.

The panel concluded that the SARC proposal was the more sophisticated and comprehensive proposal with elements exceeding expectations.

The probity advisor confirmed in a letter dated 7 April 2011 that no matters of concern in relation to the probity of the process are outstanding (attachment 6).

3.4 Further Analysis - Southern Adelaide Renewables Consortium Proposal

3.4.1 Economic Development

An economic analysis modelling program 'REMPAN' was used to forecast the likely impacts upon the proposed development of the SARC proposal REP only (solar and biomass) facilities. There was insufficient detail to undertake this modelling on the MRP site. Subject to Council approval, to further negotiate, this analysis will be undertaken as part of the detailed negotiations.

From a direct increase in output of \$50 million capital expenditure over the 12 month implementation period (representing the SARC project cost), the following four key economic result indicators are expected:

1. Total output, including all direct, industrial and consumption effects is estimated to increase by up to \$74.089 million. As a breakdown:
 - the demand for intermediate goods and services would rise by \$17.533 million
 - the jobs consumption effects under this scenario are estimated at \$6.556 million with the creation of jobs a local economy is generally the benefactor of consumption driven by increases in available income.
2. Total employment, including all direct, industrial and consumption effects is estimated to increase by up to 156 jobs. As a breakdown:
 - creation of direct jobs at REP is estimated at 74 jobs
 - indirect impacts of goods and services to REP results in the gain of a further 48 jobs
 - consumption effects under this scenario would further boost employment by 34 jobs.
3. Total wages and salaries, including all direct, industrial and consumption effects is estimated to increase by up to \$14.020 million. As a breakdown:

- direct wages and salaries would increase by \$8.457 million
 - indirect impacts would result in the increase in wages and salaries of \$3.734 million
 - jobs consumption effects increase in wages and salaries by \$1.830 million
4. Total value-added, including all direct, industrial and consumption effects is estimated to increase by up to \$39.739 million. As a breakdown:
- direct value-added is estimated at \$29.736 million
 - indirect impacts would result in a further increase to value-added of \$7.063 million
 - consumption effects under this scenario would boost value-added by \$2.940 million

3.4.2 Biomass Overview

As noted previously, the SARC proposal included a hybrid power generation model including solar PV (2MW) and biomass (10MW). The biomass element is explained in some detail as this waste to energy technology and its regulatory regime is in its infancy in this State and has the potential to attract some negative public perceptions, particularly in regard to potential emissions and biomass' role in the waste management hierarchy.

The following information is provided by the Clean Energy Council which defines biomass (or bioenergy) as:

'a renewable energy such as electricity or thermal energy made from biomass (organic matter). The technology produces clean, low-emission electricity from biomass sources such as agricultural crop wastes, plantation wood waste. Bioenergy is a clean energy source that creates little or no net greenhouse gas emissions depending on the type of biomass and conversion technology used.'

In addition to the skilled workforce required to construct and manufacture local bioenergy plants, bioenergy provides significant ongoing employment opportunities, such as biomass feedstock production, sourcing and transportation, plant operation and ongoing plant maintenance.

Bioenergy has been embraced internationally in many countries and has the potential to make a significantly increased contribution to clean electricity generation in Australia. Technologies required to implement bioenergy production already exist here and the industry is faced with the challenge of raising awareness of the potential benefits of bioenergy in Australia.'

A bioenergy 'fact sheet' produced by the Clean Energy Council is attached for members' further reference (attachment 7).

3.4.3 Regulatory Regime

The biomass element of SARC's proposal would require development, environment and energy market approvals. However, the regulatory regime relevant to a bio-energy /waste to energy projects is relatively new in Australia and in this State.

At a State level the *Environment Protection (Waste to Resources) Policy 2010* (W2R EPP) became operational in September 2010. It refers to the Environment Protection Agency (EPA) Standard for the production and use of Refuse Derived Fuel (Feb 2010). The policy and standards form a key part of the approach to joint licensing of the feedstock production process facility and the fuel combustion/energy production facility. The standard is also clear that it is seeking to ensure that the feedstock does not contain waste that has a viable higher order use (from the standard waste hierarchy). For example, if a waste stream could be recycled or reused then this is to be pursued before being combusted for the recovery of energy.

In relation to the 'green-ness' of the electricity produced from bioenergy, the national Office of the Renewable Energy Regulator (ORER) released a 'Guideline for determining the renewable components in waste for electricity generation' December 2010² which states:

The combustion of Municipal Solid Waste is listed in the *Renewable Energy (Electricity) Act 2000* as being eligible as a renewable energy source. Waste streams contain both renewable and non-renewable components, and therefore, eligible components need to be determined.

These guidelines detail a methodology for determining the eligible renewable components of municipal and commercial wastes for use by electricity generation plants which are utilising waste as a fuel source.

3.4.4 Southern Adelaide Renewables Consortium Biomass Concept

The SARC consortium partner, ResourceCo propose to install a 10MW combustion boiler plant with a firing grate that will convert waste into energy. SARC confirm that the biomass plant proposed for Futurtec is designed to generate renewable energy from alternative fuels namely, process engineered fuel (PEF) that consists of construction and demolition combustible waste with low moisture content. ResourceCo advises that currently 95% of these waste streams in Australia are disposed of in landfill.

ResourceCo currently collect the necessary waste material at its existing recycling/sorting plant at Gillman where the waste is separated and the combustible materials are sized and blended to produce a fuel that meets the power plant specifications. Currently the PEF fuel is produced for Adelaide Brighton Cement and ResourceCo state that this will be very similar for the proposed Futurtec power plant.

ResourceCo advise that their existing facility has capacity to produce sufficient additional PEF fuel to be transported to the Futurtec site at Lonsdale for processing into energy. The residual waste produced at the combustion site will be an ash residue that is expected to be approximately 8,000 tonnes per annum. ResourceCo

believe this material could be used in recycled road base, cement products or sent to licensed landfill.

ResourceCo are aware of the EPA standards and are confident that the biomass technology currently used in Europe and proposed for Futurtec will exceed these standards.

3.4.5 Biomass – the Issues

There is potential for concern amongst our communities regarding the installation of a biomass combustion plant at Lonsdale. It is anticipated that the visual amenity and emissions produced by the biomass plant would be the main points of concern for local residents. At a broader level some stakeholders may have concerns regarding poorly regulated bioenergy facilities burning waste that should be recycled or reused for other higher value purposes.

Confidential discussions with the chief executives of the EPA, Zero Waste SA and the Department of Environment and Natural Resources highlighted the potentially negative community perceptions regarding the biomass plant. The longevity of appropriate feedstock fuel supply was another point of concern raised at this meeting.

The proposed development would be the subject of a Development Approval application that is likely to be referred to the Development Assessment Commission for a decision, given that it is proposed to occur on our land. The application would be referred to the EPA for comment and appropriate conditions invoked if approval is granted. The EPA conditions of approval would specify its requirements to ensure their standards are factored into the development. The EPA has a framework in place and this proposal would need to fit within this framework for approval to be granted.

In discussions, the EPA have confirmed that the biomass plant would require a separate licence issued to the operator of the biomass facility. The EPA would have a responsibility to monitor and enforce any conditions associated with the development approval and/or the licence relating to issues such as air emissions, noise, odour and the fuel type criteria.

The EPA have specific concerns regarding the incineration of waste. These concerns include but are not limited to:

- fuel source used for incineration
- incineration emissions from biomass
- residual waste material from the combustion process
- production and transportation of fuel material

The EPA have advised that as part of any assessment it would also take into consideration the PEF fuel production site at Gillman to ensure that any additional supply of waste material and production of fuel does not cause environmental issues. The operation at Gillman is currently licensed by the EPA.

Formal advice from the EPA has been sought but has not yet been received at the time of finalising this report.

3.4.6 Southern Adelaide Renewables Consortium Discussions

As part of our due diligence process, discussions were held with SARC representatives on 4 May 2011 to highlight potential scheduling risks associated with the biomass component of their proposal. These risks could mean this element may take longer than anticipated to achieve necessary approvals (a minimum of 18 months). Furthermore, there is a real possibility that the biomass plant may be significantly delayed or ultimately not be able to secure the necessary statutory approvals necessary for this component to proceed.

Issues raised with SARC included the level of inter-dependency of the solar and biomass components and the likely commercial impact and structure of a staged approach. SARC confirmed that:-

- solar and biomass components were able to be treated as independent projects
- a solar only development would have marginal impact upon the proposed electricity prices detailed in its submission
- relocation of Solar Shop Australia headquarters and warehouse could still proceed if the biomass component is delayed or unable to proceed
- other alternative options are available to ResourceCo for the establishment of a biomass plant
- the biomass plant does not rely upon grant funding.

A diagram detailing the likely commercial impacts of a stage process as compared with the original approach is provided at Attachment 8.

Ultimately, SARC reinforced its willingness to work closely with council and remain flexible to develop a project that meets our objectives.

A letter from SARC confirming its position under a staged approach is provided at Attachment 9.

As a result of this development, an internal summary of costs associated with power purchase as currently submitted (subject to further negotiations) is provided in Attachment 3.

3.4.7 Grant Opportunities

Solar energy production is expensive and attracting grant funding is competitive, therefore, the project will need to demonstrate unique characteristics to achieve the required funding levels.

A \$20M Renewable Energy Fund (REF) administered by Renewables SA is set to expire on 30 September 2011. SARC have reported holding preliminary discussions with Renewables SA concerning their concept for the Futurtec project. There is also an opportunity to seek REF funding for the community investment element of the project. This funding would focus on establishing the appropriate governance and legal framework for this form of investment to occur.

SARC have advised the project has a reasonable prospect of being granted funding. Hence, if they were successful in this stage of the procurement they would submit

an application to the REF. A prior commitment from Council, and its support in an advocacy role, is sought by SARC before making a submission.

SARC propose to apply for a \$5M REF grant. The success of SARC obtaining grant funding has a direct impact upon the electricity price offer to us whereby the more grant funding obtained the less we pay for electricity. The table below is the example shown in the SARC submission:-

Funding received	Price (c/kW for 25 yr contract)
Nil	29.6
\$1M	27.2
\$2M	24.8
\$3M	22.8
\$5M	17.7

The short time frame remaining to maximise the above funding opportunity is a risk to the project and provides grounds for consideration to progressing with a staged approach.

4 Conclusion

The SARC proposal has sufficiently addressed our objectives to progress to the next stage of the procurement process.

This represents a unique opportunity for Council to realise its strategic objectives for the site, namely:

- an iconic renewable energy generation facility being one of the largest solar PV installation in Australia to supply energy to council as a foundation customer
- a catalyst to the development of new industries in Southern Adelaide which create new employment, investment, education and other benefits to the region
- a development structure that minimises capital requirements and risk (including environmental) to council
- an opportunity for participation of the community and local business as investors in the REP project as part of our broader efforts to support community owned energy generation
- a renewable energy research, development and education/training capacity
- a commercial return for the land.

It is recommended that Council resolve to proceed to negotiations for a Heads of Agreement with SARC.

We are aiming to maximise potential outcomes and minimise risks prior to a final report to Council in September 2011.

5 Progress and reporting

Subject to Council approval of SARC as the successful tenderer, the following steps are required to advance the Futurtec project:-

- Develop a comprehensive financial impact model to assess the total revenue and cost implications of the project including rates, electricity, environmental, capital and recurrent costs. The financial impact model would ensure we have a full understanding of the project impacts providing commercial negotiation parameters to ensure there is no negative impact to council.
- Enter into a Heads of Agreement to negotiate in good faith the key elements of the proposal including:
 1. Biomass impacts
 2. Land price
 3. Power purchase
 4. Meyer Road development
 5. Transfer of risk
 6. Project timing

The Heads of Agreement document is a necessity for SARC to seek the required grant funding (\$5M) from Renewables SA in support of their proposal.

- Enter into formal negotiations with SARC to maximise the potential of the project and minimise council exposure.
- Report to Council the outcomes of negotiations with subsequent regular updates.

A flow chart diagram outlining the proposed next steps is detailed in (attachment 10).

Attachment 3.1

Confidential - Futurtec Project

48 pages

RELEASED 15/7/20



RELEASED 15/7/20

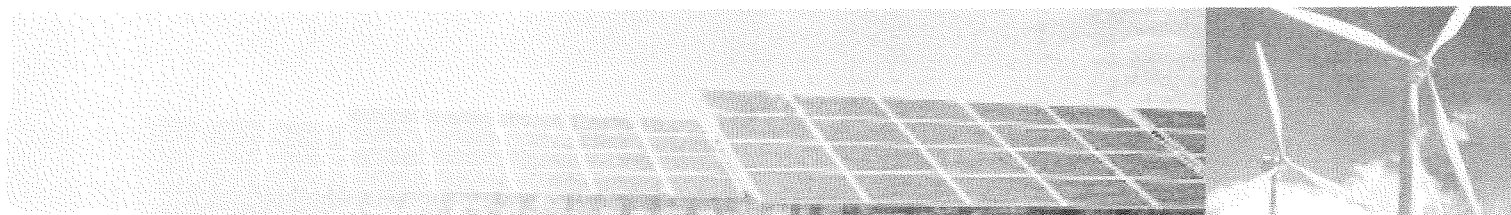


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INTRODUCTION

In July 2010, the City of Onkaparinga (Council), in conjunction with the Southern Adelaide Economic Development Board and with the support of the State Government Minister for the Southern Suburbs, launched Futurtec.

This foundation Project is part of Council's new generation of low carbon emission industry and comprises the Renewable Energy Precinct (REP) and adjoining Meyer Road Precinct (MRP).

In July 2010, Council called for Expressions of Interest (EOI) for both the REP and the MRP.

In September 2010, Council short listed parties from the EOI undertaking a Request for Proposals (RFP) process seeking Proposals from organisations or consortia who have demonstrated an ability to deliver such a Project.

Your organisation has been short listed as one of four (4) groups to participate in a Stage 2 RFP phase of the Project.

Council has included both the REP and MRP elements in the Stage 2 RFP phase.

Through the REP Project, Council is seeking Respondents to design, construct, fund, operate and own a multi-source renewable energy facility as an economic development generator and provide wider benefits to meet a range of goals and objectives. Council believes that this Project offers a unique, medium scale metropolitan based hybrid energy generation opportunity and is looking for an innovative, experienced and

commercially capable Respondent to realise this Vision.

In addition, through the MRP element, Council seeks to partner with the private sector in the delivery of land and built form options for the clustering of both owner occupiers and tenants involved in clean-tech industries. The Project will also link the involvement of Council and the Southern Adelaide Economic Development Board in the joint development of an Industry Attraction Program for the MRP.

A briefing of Council's requirements will be availed to each Respondent separately. Respondents should note that any responses to questions (other than confidential to specific proposals) may be made available to other Respondents.

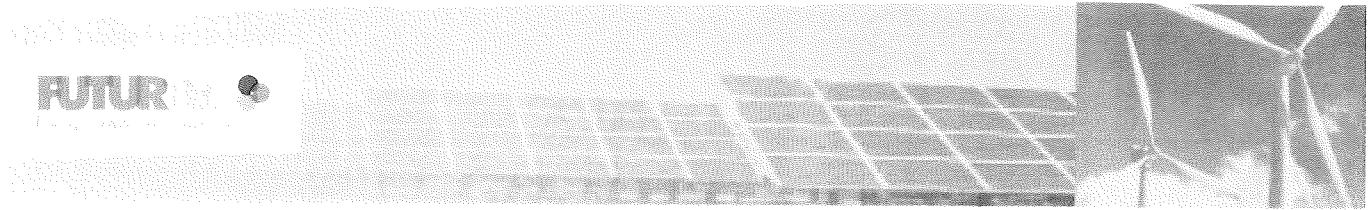
The submission of Proposals close at 3.00 pm on Thursday 9 December 2010 and must be lodged at the offices of Realty Solutions Australia at Level 2, 13 French Street, Adelaide between 8.30am and 5.30pm, Monday to Friday (public holidays excluded).

Further details and data about the Project are available via a secure Project web site and the web site address and unique password will be provided separately.

For further details, please refer your enquiries to Council's nominated contact:



Matthew Adcock, Director - Realty Solutions Australia
madcock@realtrysolutions.com.au
08 8232 4111



THE VISION

Council's Vision is to facilitate a nationally (and internationally) recognised leadership project which establishes a hybrid renewable energy generation complex (possibly an integration of solar, land fill gas, wind and other technologies) and a clean-tech employment base as a partnership approach with the private sector, Local, State and Commonwealth Governments, research institutions and others.

This Project will be a significant economic development initiative for Southern Adelaide as a new destination for investment in the renewable energy sector.

THE OPPORTUNITY

The Futurtec REP offers the opportunity for organisations or consortia to showcase their technologies, experience and innovation in a very accessible and high profile metropolitan location and develop a project in the 3-5MW range or greater – a community scale currently under-exploited in Australia.

Additionally, the MRP provides an opportunity to partner with the private property development sector in the delivery of land and built form options for the clustering of both owner occupiers and tenants involved in clean-tech industries. The Project will also link the involvement of Council and the Southern Adelaide Economic Development Board in the joint development of an Industry Attraction Program for the Southern Region.

Council has witnessed significant interest in renewable energy projects around Australia and internationally and is offering this Site and its commercial underpinning as a potential foundation customer in an aim to provide a semi-commercial and lower development risk platform for the establishment and ongoing viability of a multi-million dollar renewable energy Project.

Council is prepared to negotiate appropriate terms and conditions with a Respondent who can demonstrate the achievement of its Vision.

QUALIFICATIONS

The following qualifications are provided as a guide to Respondents at this stage of the process:

- a. Council is not offering any direct capital funding for the REP or MRP Project, nor is it seeking to be an owner of the facility;
- b. Council does not wish to entertain any form of joint venture, partnership or other similar commercial arrangement and any reference to Council seeking a partner does not infer the intent for any form of legal relationship and is merely intended to reflect the collaborative relationship proposed by the Council;
- c. Council may give consideration to future revenue share opportunities from the REP where a genuine return can be demonstrated;
- d. Council's commitment as a foundation customer will be viewed on a standard commercial basis taking into account our standard operating terms and general procurement framework whilst taking into account the costs and benefits of the REP (and MRP) Project;
- e. All statutory and legal approvals will be the responsibility of the successful Respondent. Council will not waive any environmental, development or other regulations under its control to establish the REP (and MRP) Project.

RELEASED 15/7/20

THE PROJECT OBJECTIVES

The following are Council's Priority and Desired Objectives for the Futur REP and MRP elements:

REP Project

Priority Objectives

The establishment of an iconic, commercially viable, grid connected renewable energy facility with an indicative capacity of 3-5MW or greater that supplies energy to Council as a foundation customer.

A catalyst to the development of new industries in Southern Adelaide which create new employment, investment, education and other benefits to the region based on the emerging clean-tech industry and low emissions future for Southern Adelaide.

To identify and harness other opportunities for local customers including energy options for new occupiers within the adjoining MRP and surrounding industrial development to become REP energy consumers.

Provide opportunity and participation for the community and local business to be investors in the REP Project as part of Council's broader efforts to support community owned energy generation in the Southern Adelaide region.

To develop a renewable energy research, development and education/training capacity through the engagement of South Australian and national research institutions.

To minimise risks to Council.

Ensure that future development meets all relevant environmental requirements associated with the closure of the land fill and minimises any ongoing risk or expense for Council.

Desired Objectives

To transfer property ownership, maintenance, risk and responsibility for the REP site to a third party.

The commencement of operation of the primary element of the REP Project by June 2012.

The integration of the MRP and the securing of complementary clean-tech industries (occupiers) within a total project concept.

MRP Project

The development of industrial land for the clustering of clean-tech industries.

Attract new industries to Southern Adelaide which creates new employment, investment, education and training, and other benefits to the region based on the emerging clean-tech industry and low emissions future for Southern Adelaide.

Achieve a commercial return for the land to Council which also recognises the desire for specific economic and environmental outcomes.

A development structure which minimises capital requirements and risk to Council.

Achieve an environmental leadership project for industrial development including high levels of energy use efficiency, renewable energy generation, best practice water use, stormwater harvesting and reuse, quality built form design and other initiatives.

Ensure that future development meets all relevant environmental requirements associated with the development of the land and minimises any ongoing risk or expense for Council.

Link the development of such land to the adjoining REP as part of a larger iconic project which, as a minimum, provides the sourcing of energy generation options for new occupiers within the MRP.

Develop and market the land in the short term to both owner occupiers and tenants involved in the clean-tech industry.

Together with the Southern Adelaide Economic Development Board, develop and implement an Industry Attraction Program to assist in the establishment of appropriate clean-tech industries within the MRP which will include a consistent brand, collaborative marketing, an incentive package for inward investment, work force planning/training and development, broadband, industry leadership/mentoring and other elements.

PROJECT FUNDAMENTALS

Total Futurtec Project Approach

Council's Vision and Priority and Desired Objectives for this foundation Project of Futurtec is to facilitate the establishment of both the REP and MRP elements on the Site in the short to medium term.

Council's primary objective for the REP Project is to partner with the private sector, State and Commonwealth Governments, research institutions and others to develop an iconic hybrid renewable energy generation complex (possibly including but not limited to an integration of solar, land fill gas, and wind technologies) as a new industry for the Southern Adelaide region

Council's primary objective for the MRP is to facilitate the integration of a wider range of complementary clean-tech industries within the MRP and achieve Council's objectives for the Project. Council is therefore seeking a developer who can purchase and redevelop the MRP for such uses

It is a mandatory requirement that a Proposal includes a response to the REP.

Council has a preference for the integration of the MRP with the Proposal and has structured its Evaluation Criteria accordingly. Respondents may however, elect not to include a response in respect of the MRP and such a Proposal will not be non-conforming.

Benchmark Renewable Energy Generation Target

Council's Benchmark Target for the Project is a renewable energy generation capacity in the order of 3 – 5 MW or greater from a potential mix of solar, wind and land fill gas extraction. The actual technology mix should maximise the generating capacity of the Site and ensure the commercial viability of the Project.

With regard to the REP, Council has a preference for a multi-technology hybrid technology solution and has structured the Evaluation Criteria accordingly. A single technology proposal will however be accepted by Council and will not be non-conforming.

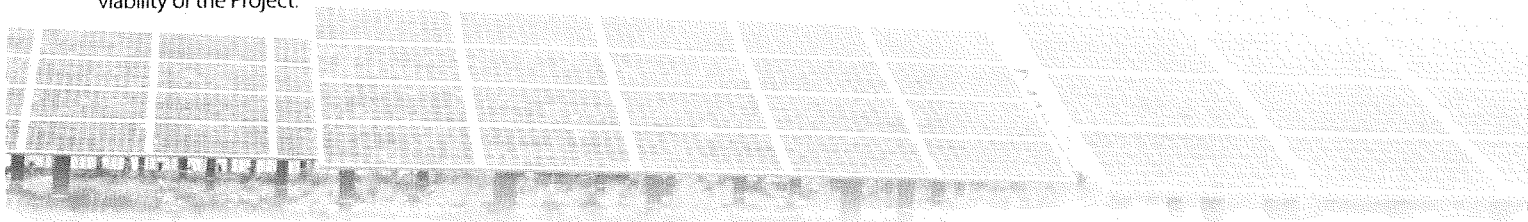
Research and Development Interest

Council highly desires the inclusion of a research and development and education aspect to the Project and acknowledges that this requires the engagement of relevant South Australian and national/international renewable energy research and development institutions.

Council will look favourably at Proposals that offer the potential for research and development, training and education opportunities. This includes identified links with research institutions to realise the deployment of relevant market innovation.

To date, a number of South Australian based universities have indicated an interest in a research and development investment/role in the REP Project. Council is very supportive of such involvement.

A list of these universities including contact names and details are provided in the Attachments on the Project web site. Council encourages Respondents to make contact with such parties and incorporate proposals which may address the research and development and education/training component of the REP Project.



It is noted that this list is not exclusive and Council is open to any organisation (State based, national or international) who can demonstrate the integration of a substantive research and development and/or education element to its proposal.

Flexibility for Funding Procurement

Council acknowledges that such a Project will require a range of funding avenues including venture capital, debt, Government grants and other sources and is prepared to enter into commercial arrangements with the successful Respondent in order for the Respondent to secure such funding. Council seeks from each Respondent (as part of its Proposal) letters of commitment from the main equity/debt finance providers as evidence of the ability of the Respondent to generate the capital required to establish a viable project.

Respondents must provide specific details regarding the funding model for the proposed Project.

Council is also prepared to support and assist applications for external third party funding as may be required.

Approach to Landfill Gas

The potential extent and commerciality of landfill gas on the Site has been addressed by initial investigations of Tonkin Consulting and Parsons Brinkerhoff.

These geotechnical surveys have shown pockets of high concentrations of methane. However, a full evaluation of the landfill gas potential has not been conducted at this stage.

Council acknowledges the advice of Tonkin Consulting set out in the report of October 2009 and provided to Respondents. Council is nevertheless seeking a commitment from Respondents that if successful in the RFP, landfill gas options will be further explored to include the potential for commercial use as well as risk management options that take into account the proximity of the MRP land.

Council desires the incorporation of land fill gas as an energy generation option but acknowledges that at this RFP stage, insufficient information is available to validate the potential commercial value of the land fill gas. Council is seeking a commitment from Respondents that if successful in the RFP, a land fill gas opportunity will be further explored.

Timing Objectives

Council has specific timing objectives for the implementation of the Project as outlined in the Project Objectives (Desired Objectives).

Respondents must provide an Implementation Plan together with a Gantt chart program which details the key stages of the development of its Project.

Community Investment Opportunity

Council is committed to providing community-ownership opportunities in the REP and other renewable energy projects in the Southern Adelaide region and will look favourably at a project that includes opportunities for community ownership as part of the business model.

Respondents must provide details of a proposed community ownership model.

LAND TENURE AND DEVELOPMENT STRUCTURES

Freehold Acquisition v Leasehold

Council has a strong preference for Respondents to acquire the Land for both the BEH and MRP elements and in doing so assume all responsibilities for its environmental management and risks in accordance with the LEIMP.

Alternative land tenure options including ground leasing will be entertained by Council and Respondents must indicate in its Proposal its desired land tenure and associated commercial proposal in accordance with the details specified in Form 1 – Land Details.

The MRP

Strategic Development Arrangements

With regard to the MRP, Council's ultimate development scenario is for a private sector party to purchase and develop the Site for the specified purpose in its own right. However, Council recognises the potential for an appropriate strategic development structure which may reduce the risk of the Project, minimise holding costs over time, enable a staged release linked to progressive demand and provide the most cost effective delivery of land to clean-tech users/occupiers.

Council is therefore open to a range of development structures where a suitable risk / return outcome can be identified and demonstrated. This may extend to a development agreement type structure which involves:-

1. Council's ongoing ownership of the land during the development phase (therein assuming rates and taxes, land holding costs etc),
2. The granting of the staged release of land subject to a master plan and land division structure to meet emerging demand,
3. Granting of a licence to occupy for the development period for the purpose of construction (land and built form),
4. Ultimate transfer of allotments of land direct from Council to the end purchaser,
5. Possible involvement in land remediation – aligned to Council's civil capacity and clean

fill access opportunities.

Specifically however, Council does not wish to assume a development risk position nor provide capital funding for the development of the land or infrastructure other than outlined above. Any reference to Council seeking a partner does not confer the intent for any form of legal relationship as such.

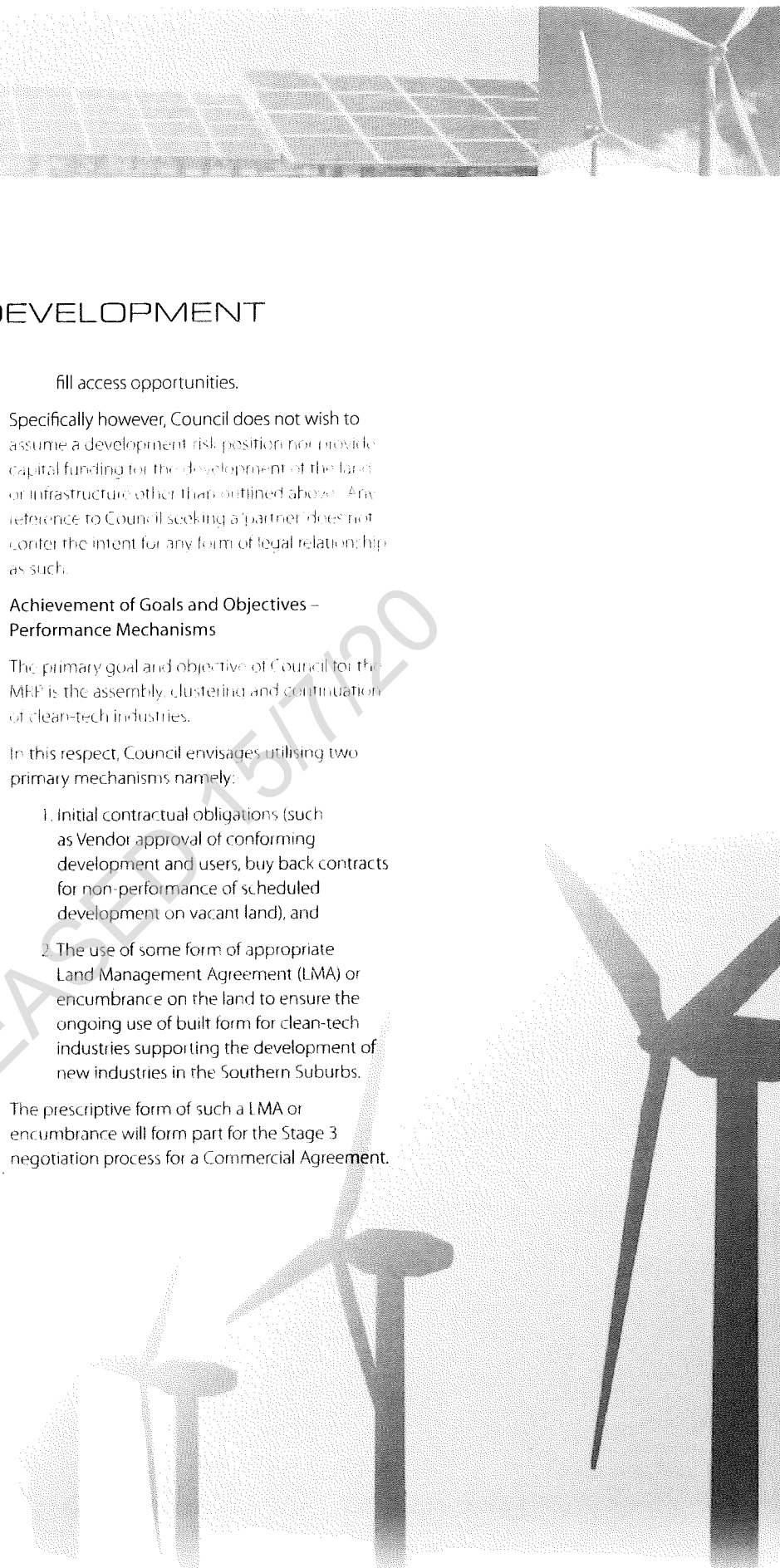
Achievement of Goals and Objectives – Performance Mechanisms

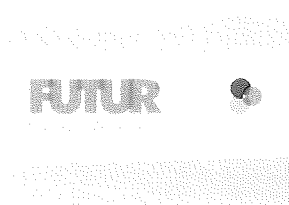
The primary goal and objective of Council for the MRP is the assembly, clustering and continuation of clean-tech industries.

In this respect, Council envisages utilising two primary mechanisms namely:

1. Initial contractual obligations (such as Vendor approval of conforming development and users, buy back contracts for non-performance of scheduled development on vacant land), and
2. The use of some form of appropriate Land Management Agreement (LMA) or encumbrance on the land to ensure the ongoing use of built form for clean-tech industries supporting the development of new industries in the Southern Suburbs.

The prescriptive form of such a LMA or encumbrance will form part for the Stage 3 negotiation process for a Commercial Agreement.





MRP (Clean-tech Industry) Project Scoping

Council requires an understanding of the proposed Development Concept for the MRP Project and how the Respondent has addressed the Project Objectives.

It is expected that the following elements will be provided by Respondents as a **Comprehensive Project Proposal** for the MRP land:-

- Demonstration of an understanding of the clean-tech industry,
- Identification of target clean-tech industry users, any unique anchor users and general marketing strategy approach
- Indicative price of fully serviced land (per sqm for typical allotments sizes),
- Outline of a proposed Industry Attraction Program including contribution by the Respondent and requirements/support sought of Council and the Southern Adelaide Economic Development Board,
- Demonstration of environmental best practice,
- Demonstration of innovation in property development,
- Master plan concept drawings for the MRP Project indicating allotment layout and building footprints (ideally at a scale of 1:1000),
- Statement of how the MRP project links to the REP Project,
- Identification of infrastructure issues.

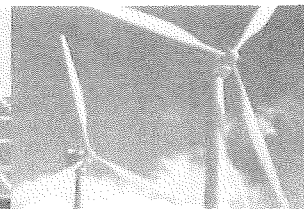
Council envisages that the take up of land for the MRP will be on a staged basis. Respondents must provide both a concept plan (land division plan and indicative built form overlay) and staging plan as part of its RFP proposal.

Council seeks evidence of the ability of the Respondent to provide or generate sufficient finance to support the MRP development through to viability and sustainability.

Support of Anchor Users

As part of its strategic development role, Council may also support key users (owner occupiers and tenants) within the MRP who are identified as anchor users and can demonstrate a strategic benefit which may underpin or accelerate the take up of land and built form and/or aid in place making for the clustering of clean-tech industries.

Where such a strategic or anchor user is identified, Council may consider innovative land availability arrangements to facilitate such outcomes.



TECHNICAL PARTICULARS

Access to the Grid

Respondents must include the cost of connecting to the Grid within its RFP cost base.

ETSA Utilities is the contact with respect to the cost of connection to the Grid and Respondents should make contact with the following:

Mr Martin Cottrell
Substation and Planning Engineer
ETSA Utilities
Phone: 08 8404 4218 (internal 44218)
Fax: 08 8404 5634
Email: Cottrell.martin@etsa.com.au

Access to Other Infrastructure

Respondents are required to develop and fund all infrastructure required to support the proposed REP concept and technologies (and redevelopment of the MRP land where applicable) and should make their own enquiries with regard to other infrastructure (gas, water etc) capacity to support to proposed Project.

Site Inspections

Respondents may undertake a physical inspection of the Site and all enquiries should be made with Realty Solutions Australia in this regard prior to such access.

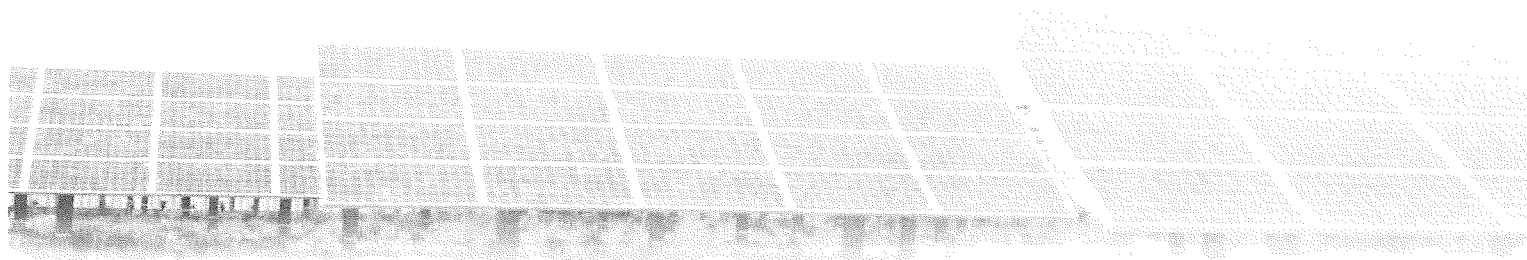
Respondents must not access the Site without permission particularly those portions of the Site under third party lease or licence.

RFP Briefing

All Respondents are encouraged to attend a briefing with regard to Council's requirements. Such briefings will be with each individual invited Respondent and will be co-ordinated by Realty Solutions Australia in Adelaide.

A probity framework will apply to such briefings and where a request for clarification is deemed to be of a material nature, it will be Council's discretion if such a response will be provided to all Respondents.

RELEASED 15/11/20



COUNCIL ENERGY CONSUMPTION, COSTS AND PPA STRUCTURE

Council purchases electricity for its three primary loads through an arrangement with Local Government Corporate Services (LGCS). The contracted load and price exists between LGCS and the retailer leaving Council flexible about its Electricity purchasing arrangements.

Council is prepared to negotiate to be a foundation customer and enter into a Power Purchase Agreement (PPA) for electricity produced from the Site. Under the right commercial arrangements, it is anticipated that energy from the Site could replace 100% of Council's current electricity and GreenPower™ contracts.

The following outlines Council's best estimate of its electricity demand and costs under its three (3) major electricity contracts. A very small number of sites are on individual supply agreements and are not included in this information.

Qualifications

1. Council's building related electricity demand as represented by the Below and Above 160MWh contracts and is considered relatively stable.
2. Council's public lighting electricity demand as represented by the 12 & 24 hour Unmetered Contract is expected to experience annual growth due to ongoing development of the region. However accurate data is not currently available on the quantum of this growth at this stage.
3. Energy costs include the raw energy charge, metering and renewable energy pass through costs. Where possible, the actual costs have been separated out in the tables. No distribution charges are included in this data.
4. Electricity demand is based on 2008/09 figures, however costs are based on current supply contracts.

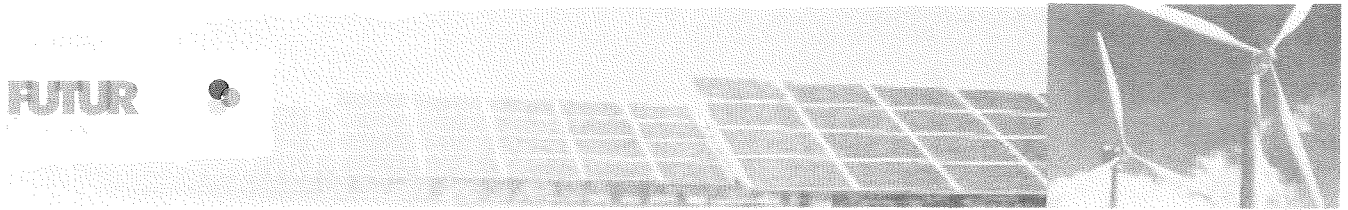
12 & 24 hr Un-Metered (public lighting) Contract

	% Electricity Use	Energy Charges (c/kWh)	Annual kWh	Total Cost (\$)
Jan – Dec 2010				
Peak Consumption	17.37%	8.1313	1,161,681	94,459
Off Peak Consumption	82.63%	2.6979	5,526,178	149,090
REC charge		0.288		19,261
GreenPower™		4.185		55,977
Total				318,787
Jan – Dec 2011				
Peak Consumption	17.37%	9.2702	1,161,681	107,690
Off Peak Consumption	82.63%	3.2423		179,175
REC charge		0.34		22,739
GreenPower™		4.4419	1,337,572	59,414
Total				369,017

Below 160MWh Contract

	Annual kWh	Annual Energy Costs (\$)
Jan – Dec 2010		
Consumption	1,357,000	206,613
GreenPower™	271,000	14,092
Total		220,715
Jan – Dec 2011		
Consumption	1,357,000	212,811
GreenPower™	271,000	14,092
Total		226,903
Jan – Dec 2012		
Consumption	1,357,000	219,195
GreenPower™	271,000	14,092
Total		233,287

NB: Costs are estimated based on 2008/09 expenditure plus known increases under Council's new contract. Costs are exclusive of GST.



Above 160MWh Contract

Contract	Annual kWh	Annual Energy Costs (\$)
– Dec 2010		
Consumption	1,656,504	242,186
GreenPower™	331,301	15,786
Total		257,972
Jan – Dec 2011/13		
Consumption	1,656,504	229,198
GreenPower™	331,301	20,017
Total		249,215

Additional GreenPower™ Purchase – Major Sites Only

Council has been purchasing additional GreenPower™ above the 20% provided through the Above 160MWh Contract for its 5 largest energy consuming sites.

The cost in the current and final year of this contract has been approximately \$30,000 and represents 80% of the electricity consumed in these sites.

Council may also be prepared to work with the Respondent to encourage other customers to support the REF Project and to advocate members of the community to invest in the Project or enter into long-term contracts to buy energy from the Project.

RELEASED 15/7/20



Basis for RFP

The data is provided to indicate Council's levels of consumption, and expenditure on its annual electricity purchases. Council is prepared to purchase all of its electricity needs from the Project under a PPA with the Respondent and/or any partner entity with an electricity retail license. While Council has not committed to a particular limit on how much it is prepared to spend, this is not without limits and it has provided its current contracted costs to indicate the current budget. Council understands that the price a Respondent would need to charge for the electricity its project produces is dependent on the net capital costs of the project (including the cost of purchasing/

losing the Site) and is therefore likely to be dependent on the success of securing grant funding. Noting the likely limitations on budget, Council will consider any GreenPowerTM component separately. In relation to this Project, the GreenPowerTM equivalent is expected to be in the form of Council's purchase and extinguishment of any or all of the Renewable Energy Certificates (RECs) produced by the facility. Respondents are therefore asked to provide proposed costs of electricity and RECs separately to inform deliberations on the nature and extent of Council's commitment under a PPA.

For the purpose of the RFP the following schedule must be used as the basis for Respondent's Proposals

Category	Annual kWh
12&24hr Unmetered Contract	
Peak	1,200,000
Off Peak	5,600,000
Sub-Total	6,800,000
Below 160MWh Contracts	1,400,000
Above 160MWh Contracts	1,700,000
TOTAL	9,900,000

Respondents must indicate its proposed treatment of RECs generated from the Project

PPA Structure

Council is seeking a RFP response based on 4 indicative contract terms namely; 3 years, 5 years, 10 years and 15 years.

In addition, Council is seeking the following primary information from Respondents

- Proposed Retailer,
- Minimum Contract Term,
- Required Terms and Conditions and Form of Agreement,
- Targeted Commencement Date,
- Indexation Proposed,
- Treatment of RECs,
- Treatment of GST,
- Roll In / Roll Out Terms.

Form of RFP Response

Council has provided Form 2 – Power Purchase Agreement Details and Respondents must complete this Form and provide attachments as required.

THE PROPERTY

An outline of the Property was provided within the EOI documentation. All aspects remain current. All documents relating to the Property and EOI are provided on the secure web site for Respondents use and reference.

The following aspects of the Site are specifically outlined as they related to the RFP phase of the Project.

Legal Description

The Property is contained in Certificate of Title volume 5890 Folio 493 being Pieces 50 and 51 in Deposited Plan 47185. It should be noted that Piece 51 is on the western side of Meyer Road and does not form part of this RFP.

The Certificate of Title is registered in the name of the Corporation of the City of Onkaparinga.

The Site is subject to a number of easements as noted on the Certificate of Title.

A copy of the Certificate of Title is provided on the Project's web site.

Site Area

The total site covers some 28.8 hectares or thereabouts and has been divided into two indicative elements namely:-

1. The RFP Site – with an approximate area of 20.8 hectares with a majority of this area comprising Council's owned former landfill site, and;
2. The MRP Site – with an approximate area of 8 hectares being approximately 100metres in depth from Meyer Road and largely not previously utilised for the former land fill activities.

Council specifically note however that where Respondents provide a whole Site solution, full flexibility is afforded to the allocate the Land for RFP and MRP purposes as required.

As part of it's Proposal, Respondents must accurately define the area of land to be utilised for the RFP and MRP respectively (and nominate such areas [or attached to] Form 1 – Land Details).

An outer boundary plan of the Site is provided on the Project's web site.

Native Vegetation

Council specifically advises that several pockets of native vegetation and habitat exist in the north western and most northern section of the RFP Site, as detailed in the Biodiversity Assessment Report (namely Zones 4 and 6) and along Meyer Road (Zone 1) on the MRP Site.

It is a mandatory requirement that Respondents identify these areas of significance and ensure that they are not developed and are protected from adverse impacts of the proposed development.

As part of the Stage 3 Commercial Agreement phase, a form of encumbrance will be sought by Council to ensure the protection of areas of significant habitat.

Zoning

Pursuant to the Development Act and as detailed in the Development Plan for the Onkaparinga Council area, the Site is zoned as Industry and more particularly defined within the General Industry Policy Area 58.

The objectives of the Industry Zone and Policy Area are to accommodate various industrial developments including general industry, service industries, warehousing, storage activities and commercial development with an industrial basis, all suitability located with regards to impacts on adjoining localities, required transportation routes and community needs.

The zone provisions make specific reference to, among other things, ecological sustainability and a 'cleaner approach' to manufacturing.

Due to Council's facilitation and commercial interest in the project, the relevant authority will most likely be the State Government's Development Assessment Commission (DAC). However, this cannot be determined until a formal proposal has been lodged with Council and presented to the Minister.

Council's nominated planning officer contact is:

Marianne Redpath

Phone: 8384 0528

Email: marred@onkaparinga.sa.gov.au

Council suggests respondents discuss their proposed project with Council planning staff or DAC staff and provide commentary in the RFP as to how those discussions have assisted the Respondent in satisfying itself that the proposed project is consistent with the intent of the Zone and Council's Development Plan provisions.

Environmental Particulars

Environmental Site Management

From 1969 to 1989, the City of Onkaparinga (formerly the City of Biscuitingai) operated the Site as a landfill, resulting in a 17.5 metre depth of non-engineered fill, primarily in the form of municipal waste but also including significant volumes of toundry sand from Mitsubishi Motors.

The Environmental Protection Authority (EPA) classifies the Site as a 'large landfill'.

In February 2009, Council engaged Parsons Brinkerhoff to provide a report to identify the nature and vertical - lateral extent of the landfill on the REP Site. A copy of the Parsons Brinkerhoff Report is provided on the Project's web site.

Key issues identified within this report include:

- Landfill composition,
- Depth of landfill,
- Matters relating to geotechnical conditions,
- Groundwater implications.

The key findings in the Parsons Brinkerhoff Report indicate that the Site will require an ongoing management plan for a period in the order of 10 years.

Groundwater contamination was discovered which requires further monitoring and hydrogeological modelling for leachate contamination. This modelling is being undertaken in parallel with this EEP process.

In respect of the southern portion of the MRF Site, approximately 1.2 hectares is impacted by the western fringe of the former landfill which generally provides shallow uncontrolled fill. This area requires remediation to be suitable for industrial type development.

In April 2009, Council commissioned Parsons Brinkerhoff to undertake an assessment of an approximate 1.3 hectare area requiring rehabilitation. The Parsons Brinkerhoff report is provided on the Project's web site and provides a guide as to options for the Site and associated costs.

The Parsons Brinkerhoff Report also indicates the location of a tyre repository on the Site.

Landfill Environmental Management Plan (LEMP)

The Site is a closed landfill and now in its finalisation phase pursuant to a Landfill Environmental Management Plan (LEMP) as agreed with the EPA.

The LEMP is being implemented by a third party which leases land from Council for this purpose, and subject to a licence with the EPA. The lease has been extended to 30 June 2011. A copy of the lease is provided on the Project's web site.

Statement of Environmental Risk Position

As part of this Stage 2 EEP process, Respondents **must make all necessary enquiries and undertake a comprehensive assessment of the environmental particulars of the Site and nominate on Form 1 – Land Details either:**

1. Confirming acceptance for full responsibility for all environmental risk and obligations associated with the purchase of the Land (to be defined formally within future contractual agreements), or otherwise;
2. Clearly define a site management plan which defines Council's and the Respondent's responsibilities and obligations to adequately manage all environmental risks.

THE PROCESS

Process Stages

The procurement process of the Project will be undertaken in up to three stages, namely:

- Stage 1 – Expression of Interest (EOI) - Now completed.
- Stage 2 – Requests for Proposals (RFP) – this process.
- Stage 3 – Negotiation of a Commercial Agreement.

Timetable

The indicative timetable for the balance of the procurement process is as follows:

Task/Activity	Dates
Release of Stage 2 Request for Proposals to short-listed Respondents	22 October 2010
Closing date for Stage 2 RFP	9 December 2010
Selection of preferred Respondent	February/March 2011
Term Sheet for the Commercial Agreement negotiated and executed	April/May 2011
Commercial Agreements	Mid 2011
Project Initiation	Late 2011
Completion and Operation of Primary Element	Mid 2012

Council reserves the right, at its absolute discretion, to amend or terminate this process, structure and timetable at any stage without compensation being payable by Council.

Overview of Stage 2 – Request for Proposals

This RFP phase seeks formal submissions from Respondents with a track record of successfully delivering renewable energy projects and clustering of businesses within the clean-tech industry.

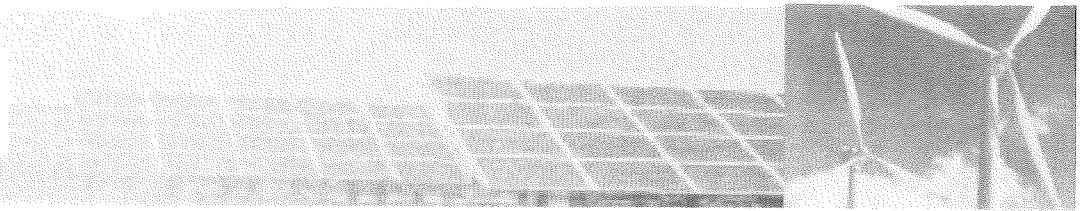
Fundamentals

This process represents the second stage in the selection of the successful Respondent. Fundamentally, Council is seeking responses from interested parties that will form the basis for a Commercial Agreement which will legally bind the successful Respondent to the ongoing delivery of the Project Objectives.

REP Element

Council is seeking Respondents who recognise the strategic importance of a megawatt scale renewable energy facility in Southern Adelaide and is looking to support a project that delivers additional benefits to the local residents and business community in keeping with the overall Futurtec objectives.

Council is cognisant that very few renewable energy based projects are fully commercial in their own right. Council is not expecting that Respondents will necessarily have all grant funding in place and is expecting to receive Proposals that provide some form of collaborative approach to secure the land and enable Respondents to subsequently secure additional funding.



Council is, however, seeking a project that includes technologies beyond the experimental phase; technologies that would benefit from deployment and grid integration at the megawatt scale (or larger) or technologies that have rarely been integrated.

Projects are envisaged to include a hybrid arrangement of solar, wind and landfill gas or gas boosted solar thermal or any other combination of technologies.

Council is seeking an indication of the funding mix (private and public sector) that would be used to ensure that the project is commercially viable over an identified lifespan.

Council is expecting to see RFP's from consortia of reputable, experienced organisations that span the requirements from design through to operation.

As part of this stage of the process, Council is expecting that Respondents will demonstrate the capability, experience, capacity, concept and business model to develop a commercially viable facility in a reasonable timeframe.

MRP Element

Council has a preference for a Proposal which incorporates both the REF and MRP projects.

Should Respondents elect to include the MRP land, Council is seeking a Proposal which provides the strategic opportunity of facilitating users within the clean-tech industry and the benefits in co-location with its REF Project.

Council is cognisant of the need to provide flexibility within a development structure and is seeking a strategic development partner who can develop the land on a commercial basis which includes focussing on the target sector and developing an Industry Attraction Program together with Council and the Southern Adelaide Economic Development Board.

As part of this second stage of the process, Council is expecting a concept master plan and the demonstration of the capability, experience, financial capacity, an outline development concept and commercial fundamentals of the MRP Project.

Note: Whilst the failure to include a proposal for the MRP land will not be considered to be a non-conforming Proposal, the inclusion of a Proposal will be one matter considered in the evaluation.

RFP Response Lodgement Details

Respondents must submit two (2) bound, one (1) unbound and one (1) electronic copy (on a CD, with files to be formatted for viewing in PDF format) of its RFP response.

These documents must be delivered in one or more sealed envelopes or packages marked "Futurtec, Renewable Energy Precinct – Request for Proposals" and marked Private and Confidential and addressed to the City of Onkaparinga Tender No. 10070.

RFP's must be lodged at the Tender Box at the office of Realty Solutions Australia, Level 2, 13 French Street, Adelaide between 8.30am and 5.30pm, Monday to Friday (public holidays excluded).

The closing time for submission of RFP responses is 3.00pm on Thursday 9 December 2010.

RFP's will not be accepted via email or facsimile.

RFP responses received after the closing time will be deemed to be late and will be registered separately. A late response will only be admitted to evaluation if Council, in its absolute discretion, makes a decision to do so. There will be no public opening of RFP responses.

RFP Response Format

RFP responses should be structured in the following way:

1. Cover letter/introduction should be no more than two pages;
2. An Executive Summary setting out the key features of the RFP response;
3. Completion of the checklist shown in Appendix A;
4. Completion of the requirements in the Schedule of Respondent's Details shown in Appendix B;
5. Response to the Detailed Assessment Criteria shown in Appendix C;
6. Supporting documentation such as CVs and additional financial information (each CV should be a maximum of two pages);
7. Alternative RFP responses (if any) should be clearly labelled as "Alternative RFP Response".

In addition to the above, the format of the RFP response should adhere to the following:

- A. Each section referred to in Appendix C is to be submitted as a clearly separate section;
- B. There is no limit with regard to the quantum of the RFP submission however on a practical level a maximum of 50 A4 pages plus attachments is offered as a guide;
- C. Generally in size 12 font.

Council also reserves the right to seek clarification on RFP responses, or further details of any information submitted by Respondents. However Respondents should submit RFP responses which sufficiently address each of the criteria outlined in Appendix C. Respondents should not rely on being invited to make further submissions prior to the RFP being finalised.

Process Objectives

The objective of the RFP Process is to select a single party (or single consortia) who will subsequently be invited to a Stage 3 process to negotiate a Commercial Agreement on the basis of its Proposal.

RELEASED 15/11/20

Evaluation Process

The evaluation of RFP responses will be conducted by an Evaluation Panel which has been appointed by Council. Council has also appointed technical advisors to the Evaluation Panel in the fields of clean-tech industry, property, legal, priority and finance. The following two-step evaluation process will be adopted for the RFP process:

Evaluation	Stage	Explanation
Step 1	Compliance Assessment	A review to confirm the Respondent has provided in its RFP response the documents or material referred to in the compliance check list in Appendix A.
Step 2	Detailed Assessment	Evaluation of each RFP response against the Detailed Evaluation Criteria.

Response Presentations

Respondents may be given the opportunity, at Council's discretion, to give a presentation to Council's Evaluation Panel and advisers on their RFP responses. It is anticipated that any such opportunity would be during Step 2 of the evaluation. Council may in its discretion undertake an initial short-listing process for the purposes of such presentations and invite only short-listed Respondents to give a presentation.

Notification and Debrief

The RFP responses will be assessed to select a single Respondent (or partnership or consortium) who will participate in the Stage 3 Commercial Agreement stage.

All Respondents will be afforded the opportunity to be debriefed on the evaluation of their RFP responses if requested.

Alternative RFP Response

Council may consider Alternative Proposal provided that the Respondent has submitted a conforming Proposal. The Alternative Proposal must set out details of non-compliance with the conforming Proposal and identify the key features of the Alternative Proposal(s).

Stage 3 – Commercial Agreement

Council intends to enter into a process with the successful Respondent, most likely via an initial Term Sheet process and subsequent Commercial Agreement. The form of the Commercial Agreement will be dependent on the nature of the Project.

PROBITY

Probity Advisor

Council has engaged an independent Probity Advisor to undertake the following role in this Stage 2 RFP process:

- To provide scrutiny (by way of observing and reviewing) of the procurement process, to ensure that prescribed processes have been or are adhered to;
- To provide advice on probity issues which may arise before and during the procurement process; and
- To ensure that the process is equitable and conducted with the utmost integrity.

The Probity Advisor is not a member of the Evaluation Panel but is an independent observer of the evaluation process and will not be involved in the evaluation of any RFP response.

Invitees and Respondents who have any concerns about the conduct or probity of the procurement process should promptly bring their concerns to the attention of the Probity Advisor.

The Probity Advisor's contact details are as follows:

Mr Brenton Ellery
Edwards Marshall
153 Flinders Street
ADELAIDE SA 5000
Ph (08) 8139 1111
Email: bellery@edwardsmarshall.com.au

Use or Contact with Council's Consultants

Council has engaged Realty Solutions Australia, St Kims Associates, Winter Ellison Solicitors, Australian CleanTech, Peter Agar & Associates and Edwards Marshall to provide ongoing assistance with the RFP process and as such these consultants cannot be engaged to represent any particular Respondent in respect of their RFP submission.

A number of other consultants have provided prior services to Council in connection with the Project. The Project information provided on the web site and elsewhere in this document includes reports and information provided by a number of these consultants (noting that information regarded as confidential or which is not considered relevant to the RFP process has not been included in the project information). Council considers the involvement of these consultants in previous work on this Project will not give them, or any Respondent team they may become involved with, any particular advantage nor conflict of interest arising out of previous services provided to Council in relation to this Project. However, Council recognises there is substantial other expertise and experience available in the market place and Council is not predisposed to the use of any particular consultants.

GENERAL TERMS AND CONDITIONS

1. COUNCIL'S EXPECTATIONS

If a Respondent submits a RFP submission, Council when considering the RFP submission will expect that the Respondent satisfies the following criteria:

- 1.1 The Respondent has the necessary skills, knowledge and experience to develop and deliver the Project as outlined in the RFP submission.
- 1.2 The Respondent has fully informed itself of all facts and conditions of all things relating to the RFP and the requirements of the Project.

2. COPYRIGHT AND INTELLECTUAL PROPERTY

By submitting an RFP, Respondents are taken to license Council or its representative to reproduce for the purposes of this RFP the whole or any portion of the RFP submission for any purpose related to the evaluation of the RFP submission despite any copyright or other intellectual property right that may subsist in the RFP submission.

3. NO OBLIGATION TO ACCEPT ANY RFP

There is no obligation on Council to choose or select any RFP (or part thereof), and Council may at its sole discretion determine not to proceed with the Project or this RFP before or after the receipt of RFP submissions.

4. RIGHT TO AMEND THE PROCESS

- 4.1 Council may determine at any time prior to the RFP Closing Time, to amend the RFP process at its sole discretion, or
- 4.2 Change the scope of the Project or vary the nature of the Project subject to Council first giving each Respondent the opportunity to respond to the changes.

5. CONFLICT OF INTEREST

A Respondent must identify any actual or potential conflict of interest in their RFP.

6. FURTHER INFORMATION

Council reserves the right in its absolute discretion at any time to:

- 6.1 Seek clarification or additional information orally or in writing from Respondent(s).
- 6.2 Provide additional information to all Respondent(s).

7. RECIPIENTS/RESPONDENTS TO CONDUCT OWN ENQUIRIES

- 7.1 All information and statements set out in this RFP are provided in good faith and are believed to be correct, but all recipients of this RFP and/or Respondents should not rely on them as statements or representations of fact, but must satisfy themselves by inspection or other enquiry as to the correctness and completeness of all such information and/or statements.
- 7.2 Recipients of this RFP and/or Respondents are required to have satisfied themselves as to specific conditions associated with the Project and obtain such other particulars as may be required. Recipients of this RFP and/or Respondents have no claim on grounds of insufficient information being made available to them.
- 7.3 All recipients of this RFP are required to make all investigations at their own expense as they consider necessary in connection with determining whether to provide a RFP submission.
- 7.4 Respondents are required to make all investigations at their own expense as they consider necessary in connection with their RFP submission.

8. COSTS BORNE BY RECIPIENTS/ RESPONDENTS

All cost and expenses incurred by recipients of the RFP and Respondents in any way associated with the consideration of this RFP, investigation, development, preparation and submission of RFP submissions including but not limited to attendance at meetings, or providing any additional information requested/required by Council will be borne entirely and exclusively by such recipient/Respondent.

9. RIGHT TO AMEND OR DISCONTINUE THE PROCESS

Council reserves the right to amend, vary, discontinue or supplement the process set out in this RFP in its absolute discretion at any time. No person including any unsuccessful Respondent shall be entitled to any redress against Council, or its consultants, if Council makes any amendments or additions to this document.

10. RIGHT TO EXTEND RFP CLOSING TIME

Council reserves the right to extend the RFP Closing Time by notifying each recipient of this RFP of the extended date in writing or by email or by the Project web site at least 2 business days prior to the RFP closure.

11. LATE AND NON-CONFORMING LODGEMENTS OF SUBMISSIONS

A Submission lodged after the RFP Closing Time:

- 11.1 Will be deemed to be late.
- 11.2 Will be opened separately and registered separately, and
- 11.3 May be admitted to the evaluation process at the absolute discretion of the Council.

Non-conforming Submissions may or may not be considered by the Evaluation Panel in its discretion.

12. NO OBLIGATION

No legal or other obligation other than those associated with this RFP shall arise between a Respondent and Council unless and until formal legally binding documentation has been signed by the Respondent and Council. Council is not obliged to proceed with the Project (or part thereof) described in this RFP, nor is Council obliged to proceed with any Submission or

Respondent. No compensation will be payable by Council should the Council elect not to proceed with any submission or any Respondent, or decide not to proceed further with the Project.

13. NEGOTIATION OF TERMS OF AN AGREEMENT

Council may in its absolute discretion negotiate with any one or more Respondent at any time during the Process (including negotiating with any one or more recipients of the RFP prior to the RFP Closing Time).

14. NEWS RELEASES

No recipient of this RFP or any Respondent is permitted to make any announcement or publish any information regarding this RFP or the Project without the prior written approval of Council.

15. CONFIDENTIALITY

15.1 All information provided by Council (or by Realty Solutions Australia Pty Ltd on behalf of Council), other than information in the public domain without any breach of confidence, shall be treated as confidential.

15.2 Each recipient of this RFP must ensure that no person receiving such Council confidential information may use, copy or disclose any of it to any person except for the purpose of preparing a RFP submission and in that case only to the extent that the person requires the information for that purpose. Before so disclosing any information, the recipient of this RFP shall inform the person to whom it proposes to disclose the information that the information is confidential and, both as principal and as disclosed agent of Council, obtain an undertaking from him or her to keep the information confidential and to use it solely for the purposes of the Respondent's RFP submission.

15.3 Upon receiving a written request from Council, a recipient of this RFP must immediately destroy (or in the case of electronically held information, permanently delete) all documents provided in respect of this RFP, all notes, memoranda, summaries or other writings relating to this RFP process prepared by such recipient or its agents and all copies of any of the above.

16. INFORMATION SECTION

16.1 Where any of the information in this RFP comprises a list, schedule, report or interpretation based on other information, Council makes no representation, express or implied, in respect of its accuracy, reliability or completeness. A recipient of the RFP should not assume the accuracy of the information, but, to the extent possible, verify the source information independently. If a recipient of this RFP does have access to the source information and considers that it is critical to a Respondent in preparing its RFP submission, that recipient must notify the Contact Person in order that consideration can be given to providing access to that source information. Respondents should not correspond with anyone else other than the Contact Person.

16.2 Council reserves the right to decline to disclose all or part of information requested at Council's discretion, and reserves the right, if any information is disclosed, to offer disclosure of the same information to other recipients of this RFP.

16.3 Council disclaims all liability, direct or indirect (and whether or not arising out of the negligence, default or lack of care of Council, for any loss or damage (whether foreseeable or not) suffered by a recipient of this RFP and/or a Respondent, its subcontractors, representatives or external advisers, or any other person arising out of, or in connection with, any use or reliance by any of them on such information contained in this RFP or otherwise provided by Council.

16.4 To the extent that this RFP contains budgets and associated commentary including estimates in relation to future performance, Council makes no representation that any such budgets or estimates will be achieved or are achievable.

16.5 Nothing in this RFP obliges Council to disclose any particular information to a recipient of this RFP or its subcontractors, representatives, or external advisers. Council has an absolute discretion as to the information, which it may choose to disclose.

17. NO EXCLUSIVITY

17.1 Nothing in this RFP or in the Procurement contract is intended to confer upon a successful Respondent of any exclusivity in the future for RFP or MRP Projects.

18. NO CANVASSING

18.1 Canvassing of Corporation officers or Members of Council is not permitted and amounts to disqualifying behaviour.

19. PROCEDURE TO RESOLVE INCONSISTENCIES OR INQUIRIES

Respondents must follow the following procedure for the resolution of any inconsistency or for inquiries relating to the RFP:

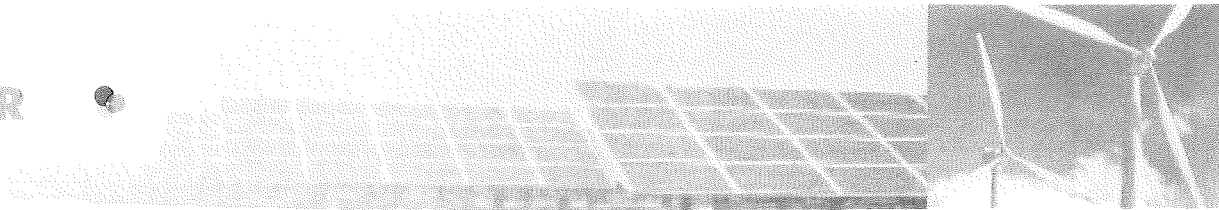
19.1 If you are in any doubt as to the true meaning of any of the information or RFP documents comprised in this RFP Package, or if you consider any provision, description or other matter is contradictory or inconsistent with any other provision, description or other matter, you must immediately notify the nominated contact person who will refer the matter to Council's Contact Person.

19.2 The Contact Person will consider all requests for clarification, and in the Contact Person's absolute discretion, determine whether or not to provide any interpretation of the documentation upon which clarification has been sought.

19.3 Any interpretation of the documentation comprising this RFP will be made only by formal Addendum to the RFP documents, and will be transmitted to all prospective Registrants who are registered as having been issued with the RFP Package at least 2 business days prior to the close of the RFP.

20. DO NOT COPY REQUEST FOR PROPOSALS PACKAGE FOR OTHERS

20.1 You must not copy the RFP Package for use by other persons. If unauthorised copies of the RFP Package are made, the Council takes no responsibility for failure to provide any Addenda to persons in receipt of unauthorised copies of the RFP.



APPENDIX A – COMPLIANCE CHECK LIST

Item/Description**Included Y/N**

Contains two (2) bound, one un-bound and one electronic copy of the RFP response

Details of the Respondents/particulars/responsible entity (Appendix B)

Response to Detailed Assessment Criteria (Appendix C)

- Commercial Proposal

- Form 1

- Form 2

- Concept and Technology

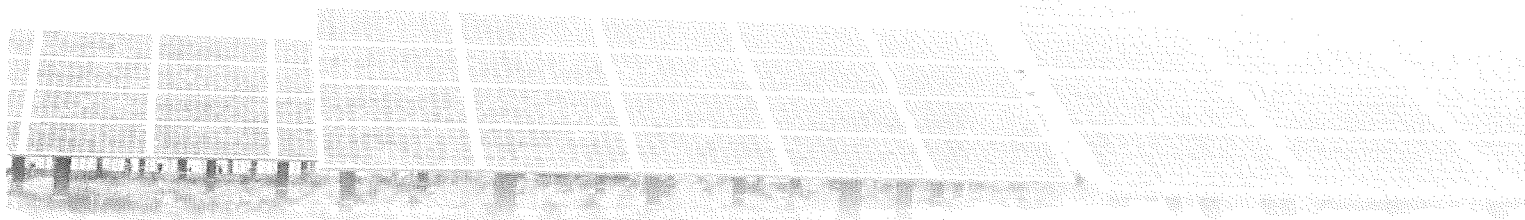
- Capital Funding Model

- Program – Implementation Plan

- Financial Capacity

- Economic Development

RELEASED 15/7/20



APPENDIX B – SCHEDULE OF RESPONDENT'S DETAILS

RFF responses from Respondents comprising several participants will be considered. However, the Respondent/Respondents must be clearly identified and must be the entity/entities submitting the RFF response. RFF responses must be placed by authorised representatives from each of the Respondent's participants.

Other members of the consortium must be clearly indicated and details required under (i) below provided.

The following information should be provided in respect of the Respondent, participants and responsible entities (as applicable) including:

- (a) The identity and corporate structure of the Respondent and any responsible entities, including their relationship with any immediate and ultimate parent company and details of any registered company, business and trading names;
- (b) The beneficial ownership interests in the Respondent and any responsible entities;
- (c) The ABN, current directors, registered office address, head office address, place of incorporation and shareholders of the Respondent and any responsible entities;
- (d) A brief overview of the Respondent (and each consortia member as relevant) and each participant including background information and details of their operations;
- (e) An outline of the corporate entity structure envisaged to undertake the project including

the equity share and role of each participant

- (f) Details of the contractual arrangements established or to be established between the Respondent and the participants;
- (g) Contact details of the individual from the Respondent with whom Council will principally communicate in its dealings with the Respondent, including name and title, email address, office, mobile and facsimile numbers, and office and postal addresses;
- (h) Details of an individual contact from each participant, including name of participant, name of individual and title, email address, office, mobile and facsimile phone numbers, and office and postal addresses;
- (i) The identity of any company that has become insolvent with which any director of the Respondent or a responsible entity has been associated.

APPENDIX C - SUBMISSION REQUIREMENTS ADDRESSING EVALUATION CRITERIA

C1 Detailed Evaluation Criteria

Council does not intend to prescribe how the Respondent should demonstrate its credentials against each of the detailed assessment criteria; however, Council expects the following information to be provided as a minimum:

C 1.1 – Commercial (Financial and Risk) Proposal

Via the REP process, Council is seeking a Commercial Proposal which will comprise the following elements:

- Pursuant to Form 1 – Land details including responsibility for ongoing environmental risk, management and maintenance costs and responsibilities; and
- Pursuant to Form 2 – Power Purchase Agreement including electricity cost assessed over 3, 5, 10 and 15 year contract periods.

Respondents are encouraged to provide options with regard to land acquisition costs and electricity cost proposals.

Criteria 1

Outline of the Commercial Offer for the land and electricity contract including risk transfer, revenue sources and other benefits to Council assessed as a risk weighted Net Present Value (NPV) Analysis.

Information Requirements

A commercial proposal including completion of Form 1 and Form 2 and attachments as required.

C 1.2 Concept and Technology

Council requires a comprehensive understanding of the Concept and Technology proposed for the REP Project and how the Respondent has addressed the Project Objectives.

Criteria 2

A Concept and Technology application for the REP Project that meets and/or exceeds the Project Objectives and desired outcomes.

Information Requirements

- Statement of projected energy generated (MW and MWh) and expected total \$ value of the Project (breakdown by solar, land fill gas, wind and other).
- Detailed overview of the technology proposed.
- Commitment to explore a land fill gas opportunity (statement).
- Details of a community investment/ownership model.
- Concept drawings for the REP Project indicating prototypes of renewable energy elements proposed (ideally at a scale of 1:1000).

- Demonstrated protection of native vegetation and habitat in accordance with the Biodiversity Assessment Report.
- Statement of expected Development Plan compliance.
- Experience and capability of the development team including technical merit/innovation.
- A renewable energy scheme with wider application to occupants on the MRF and adjoining industrial users (direct as part of a integrated proposal or in the future once the MRF is developed).

C 1.3 Capital Funding Model

Council requires a comprehensive understanding of the Capital Funding Model proposed for the REP Project.

Criteria 3

Demonstration of a viable and achievable capital funding model.

Information Requirements

- Breakdown of funding sources/mix proposed (including grants, equity, debt etc).
- An investment and financial model which demonstrated a commercially viable and sustainable Project which can meet Council's foundation customer demand as a minimum.

C 1.4 Program – Implementation Plan

Council requires an understanding of the Respondent's timing expectations as it relates to Council's desired Timing Objectives.

Criteria 4

Ability to meet Council's Timing Objectives.

Information Requirements

1. An Implementation Plan.
2. A Gantt chart outlining the key stages of the implementation plan for the REP (and MRF) Project.
3. Conditions imposed which may impact the timing or ultimate actualisation of the Project (including timing impacts of required funding).

C 1.5 Financial Capacity

Council requires the demonstration of the capacity of the Respondent to design, construct, fund, own and operate a REP (and MRF) Project of the scale, nature and magnitude envisaged together with evidence that major equity/debt capital providers are committed to supporting the Respondent's Proposal.

Criteria 5

Demonstration of financial capacity to deliver or procure the delivery of a project of commensurate size and scope to the REP (and MRF) Project and to achieve viability and sustainability of the project.

Council requires an understanding of the financial capacity of the entity/entities which will ultimately accept the risk of delivery of the Project (responsible entity/entities).

The financial capacity of the responsible entity/ entities will be assessed to ensure that if they are awarded the REP (and MRP) Project, the Project(s) do not dominate the responsible entity/entities' existing business and that a true relationship can be achieved by Council.

In order to demonstrate the financial capacity of the responsible entity to deliver the Project, Respondents must provide an:

- Annual Report of nominated entities (and other documents detailing the current works in progress) including audited financial statements,
- Statement of financial capacity of the principal and equity partners proposed for the REP Project,
- Details of the parties who may offer corporate and financial guarantee to secure delivery on time,
- Details of required grants, equity, debt and other funding that partners will contribute to, or require for the REP Project and timing and process of securing such funding,
- Where debt funding is proposed, a statement from the proposed financier confirming the capacity of the Respondent to raise the required debt for the project proposed,
- Letters of commitment from the major providers of finance as to evidence that they are willing to provide financial support for the project as proposed.

C 1.6 Economic Development

Council requires an outline of the following:

1. Research and Development initiatives proposed
2. Overall level of investment
3. Estimated permanent, indirect construction jobs created
4. Where a Proposal for the MRP is offered, a Comprehensive Project Proposal for the MRP land,
5. Specifically for the MRP Site:
 - a. An investment attraction plan including how the development will position the region for the attraction of further investment in clean-tech industries and the scope for the establishment of a clean-tech incubator,
 - b. Skills development to match the requirements of the new businesses attracted,
 - c. How the developments on the Site can be used to promote the uptake of low emission technologies and business practices in the region

Criteria 6

The achievement of Council's economic development objectives for the Project.

Information Requirements

As above.

FORM 1 – LAND DETAILS

Information

Owner/Vendor

Details

Corporation of the City of Onkaparinga

Contracting Entity

[Include ACN or ARBN in the case of a corporation and ABN or ABN's where there is more than one person comprising the Proponent]

Contracting Entity Address [include contact name, address and telephone number]

Renewable Energy Precinct (REP)

Land Area

REP

hectares

Indicative Land Division Plan attached
by Respondent

Land Purchase Price

\$

[lump sum land contract price –
exclusive of GST]

**Confirmation of Transfer of
Environmental Liability**

YES

[Respondent to confirm] -- please circle

Acquisition Timing

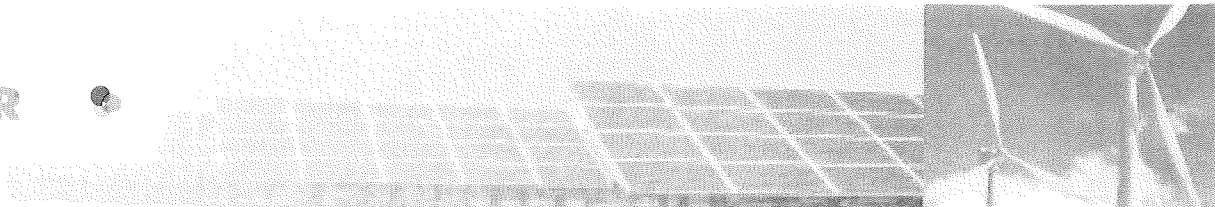
[Respondent to nominate targeted
settlement date]

Separate attachment as required

Proposed Contract Conditions

[Respondent to nominate]

Separate attachment as required



OR

Annual Land Rental \$ per annum
[exclusive of GST]

Lease Commencement
[quarter / year]

Lease Term years

Annual Indexation % per annum

Proposed Contract Conditions
[Respondent to nominate]

Separate attachment as required

Property Outgoings Responsibility of Respondent
[Rates, taxes, insurance, maintenance etc]

Proposed Lease Conditions
[Respondent to nominate]

Separate attachment as required

Meyer Road Precinct (MRP)

Land Area MRP hectares
Indicative Land Division Plan attached
by Respondent

Land Acquisition Structure
[Respondent to nominate]

Separate attachment as required

Land Purchase Price \$ Exclusive of GST
[lump sum or progressive payment
linked to market takeup and subject to
performance measures] or indicative staged schedule to be provided

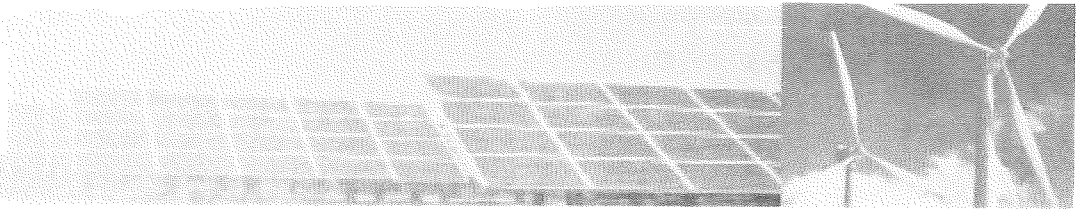
**Confirmation of Transfer of
Environmental Liability** YES
[Respondent to confirm] – please circle

Proposed Contract Conditions
[Respondent to nominate]

Separate attachment as required

Roll In / Roll Out Terms
[Respondent to nominate]

Separate attachment as required



FORM 2 – POWER PURCHASE AGREEMENT STRUCTURE

Information

Purchaser

Corporation of the City of Onkaparinga

Contracting Entity

[Include ACN or ARBN in the case of a corporation and ABN or ABN's where there is more than one person comprising the Proponent]

Contracting Entity Address [include contact name, address and telephone number]

Details

Primary Structure

Nominated Retailer

Minimum Contract Term

years

Required Terms and Conditions

[Respondent to nominate]

Separate attachment as required

Targeted Commencement Date

[Respondent to nominate targeted PPA commencement date]

Indexation Proposed

[Respondent to nominate]

Separate attachment as required

Other Revenue Sources to Council

[Respondent to nominate]

Treatment of Renewable Energy Certificates

[Respondent to nominate]

RELEASED 15/7/20