

CASE STUDY

Coonoor Bridge Wind Farm (Windlab)



Size: \$50 million

Windlab's mission is to expand and develop the market for and use of wind-based renewable energy in Australia. In 2007 Windlab identified the site of the Coonoor Bridge Wind Farm and secured a planning permit from Buloke Shire in 2014. In January 2015 Windlab reached a deal with the ACT government and was awarded a 20 year fixed Feed-In-Tariff (A\$81.50 per megawatt hour) to supply the power that the Farm generates to homes in Canberra. With this contract in place, the project has secured debt and equity funding with construction commencing in July 2015.

THE INITIATIVE

Purpose of capital	For Windlab to construct and operate the Coonoor Bridge Wind Farm in Victoria, with electricity to be supplied to Canberra.
Sector	Energy
Geography	Australia (Buloke Shire in Victoria, approximately 17km south of Charlton and 90km northwest of Bendigo)
Scale of impact	Once built, the Coonoor Bridge Wind Farm will have six turbines and generate up to 19.4 megawatts of power, which will supply enough electricity through the national electricity grid to power around 14,000 Canberra homes.
Timeline	The site of the Coonoor Bridge Wind Farm was located by Windlab in 2007 and an application for a planning permit was approved by Buloke Shire in February 2014. Once this permit was granted, Windlab began to search for a major corporate electricity consumer to buy the output, reaching a deal with the ACT government in January 2015 to supply the power generated by the Wind Farm to homes in Canberra. With this contract in place, and investment secured, the construction of the Farm will commence in July 2015.

THE INVESTMENT

Investor/s	<ul style="list-style-type: none">• Eurus Energy Holdings – A Japanese wind and photovoltaic energy business which is owned by Toyota Tsusho Corporation and Tokyo Electric Power Company.• Windlab – A global wind energy development company established to commercialise world leading atmospheric modelling and wind energy assessment technology that was developed by the CSIRO. Windlab initiated this project and maintains an equity holding.• Local landholders
Investee	Coonooer Bridge Wind Farm
Investment structure and terms	<p>Corporate capital</p> <ul style="list-style-type: none">• Equity - Eurus Energy Holdings (80% ownership. Windlab maintains ownership, now at 16%) <p>Private investment</p> <ul style="list-style-type: none">• Alternative Assets - Private Equity - 33 local landholders have combined equity of 4%. (Landholders adjacent to the project were granted some equity in the project and offered the opportunity to invest under the same terms as Eurus. This is a combination of their free carried interest and their investment.) <p>Bank finance</p> <ul style="list-style-type: none">• Debt (ANZ provided debt to the Wind Farm - 75% of total project value) <p>Impact fund Investment</p> <ul style="list-style-type: none">• N/A
Arranger/Lead	None
Source of deal	Eurus Energy Holdings is one of the biggest equity holders in wind farms globally. Eurus was attracted to the Coonooer Bridge deal due to its very strong wind resource – the wind farm is expected to generate electricity around 90% of the time - as well as the extremely strong community support for the project that Windlab had cultivated.

THE IMPACT

Social, cultural or environmental impact	<ul style="list-style-type: none">• The objective is to deliver a wind farm that provides competitively priced electricity, reduces carbon emissions and benefits all project stakeholders.• The Wind Farm's projected carbon dioxide emission savings are 83,770 tonnes per annum.• The project and the local landholders have also designed an annual grant program aiming to support community initiatives in the Coonooer-Yeungroon region. The program will offer up to \$25,000 per annum once the project is operational.• Local community shareholders and land owners will benefit to the tune of more than \$500,000 over the life of the project.• The project will provide local employment opportunities during construction and over the life of the project. A report by the Clean Energy Council states that for every direct job created by a wind farm in Australia, 3.5 indirect jobs are created in the local community.
Financial impact	<ul style="list-style-type: none">• Financial results will be available once the wind farm is in operation.• The project will likely impact the renewable energy market, as the energy is the cheapest ever produced at an Australian wind farm.¹
Future opportunities	Windlab is continuing to develop wind energy sites in Australia, Southern Africa, USA, Canada and a number of other emerging markets. Some are fully owned by Windlab whilst others involve a range of equity partners. Windlab's advanced wind mapping technology enables the accurate identification of potential wind farm sites from the desk top, deploying only a fraction of the capital used by other international developers. Windlab is committed to delivering projects that benefit all project stakeholders.

MORE INFORMATION

[Windlab](#)

¹ <http://reneweconomy.com.au/2015/windlab-breaks-australian-renewables-drought-with-lowest-cost-wind-farm-11172>