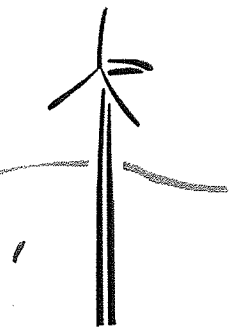
WestWind ENERGY



Application for a Generation Licence

WestWind Energy Pty Ltd

WestWind Energy Pty Ltd ABN 94 109 132 201
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Introduction

WestWind Energy Pty Ltd is developing a number of wind energy facilities across the State of Victoria with a view to building and operating wind farms at several locations. To facilitate this activity WestWind Energy is applying for the granting of a licence to generate electricity and sell the power generated by the various wind farms to electricity retailers.

WestWind Energy Pty Ltd is part of the WestWind Group of companies and has been established specifically for the development of wind farms in Australia. The WestWind group consists of:

Germany:

WestWind Projektierungs GmbH & Co.KG
WestWind Verwaltungs GmbH & Co.KG
WestWind Invest

Head Office:
Brinkstrasse 25
27245 Kirchdorf
Germany

Australia:

WestWind Energy Pty Ltd (Australia)
WestWind Energy Management Pty Ltd (Australia)
Yendon Wind Farm Pty Ltd
Elaine Wind Farm Pty Ltd
Moorabool Wind Farm Pty Ltd
Moorabool South Wind Farm Pty Ltd

Contact Details

Registered office:

WestWind Energy Pty Ltd
WestWind Energy Management Pty Ltd
Gisborne Head Office
Office 5, Level 1 Nexus Centre
12-14 Prince St
Gisborne, VIC, 3437

The contact person for correspondence in relation to this application is:

Mark Lampard
VEMTEC Pty Ltd
PO Box 1226, Wendouree Village, VIC 3355
Unit 7 15-19 St Cedars Grove Lake Gardens

Background

WestWind has almost 12 years of experience in developing, constructing, operating and managing wind energy facilities. The company is in the process of expanding its successful business model to plan, develop, finance, turnkey construct, operate and manage wind energy facilities into international markets. It aims to apply its experience gained in the German wind power sector in other markets where a favourable combination of good wind resource, well developed electricity infrastructure, political support, commercial viability and financial stability supports investments in clean renewable energy projects. Based on these basic criteria the company has decided to develop and build wind energy facilities in Victoria.

WestWind has developed and built the wind energy projects listed below in Germany. WestWind also operates and manages these wind farms.

Commissioning Date	Number Of Wind Turbines	Name of Wind Farm	Type of Wind Turbine	Installed Capacity of Wind Turbine in MW	Total Installed Capacity in MW
1999	2	WW Lemke I, LK NI	Enercon E40 6/44	0.6 MW	1.2 MW
1999	2	WW Lemker Geest,LK NI	Enercon E40 6/44	0.6 MW	1.2 MW
2000	1	WW Frestorf, LK NI	AN Bonus 1,3 MW 62	1.3 MW	1.3 MW
2001	1	WW Haustedt, LK NI	AN Bonus 1,3 MW 62	1.3 MW	1.3 MW
2001/2002	3	WW Wagenfeld, LK DH	GE Wind 1,5 sL	1.5 MW	4.5 MW
2001/2002	6	WW Twistringen, LK DH	Enercon E 66 18.70-3	1.8 MW	10.8 MW
2002	3	WW Marklohe –Wohlenhausen, LK NI	GE Wind 1, 5 sL	1.5 MW	4.5 MW
2002	3	WW Marklohe – Oyle, LK NI	Enercon E 66 18.70-3	1.8 MW	5.4 MW
2003	1	WW Frestorf – West, LK NI	NM 1000/60	1.0 MW	1.0 MW
2003	2	WW Ostbevern, LK WAF	Enercon E 66 18.70-3	1.8 MW	3.6 MW
2003	1	WW Marklohe –Wohlenhausen, LK NI	GE Wind 1, 5 sL	1.5 MW	1.5 MW
2003	1	WW Twistringen II,LK DH	Enercon E 66 18.70-3	1.8 MW	1.8 MW
2004	1	WW Twistringen II,LK DH	Enercon E 66 18.70-3	1.8 MW	1.8 MW
2004	1	Wachendorf, LK DH	Enercon E 66 18.70-3	1.8 MW	1.8 MW
2004	10	WW Scholen,LK DH	Enercon E 66 18.70-3	1.8 MW	18.0 MW
2004	9	WW Stocksdorf,LK DH	Enercon E 66 18.70-3	1.8 MW	16.2 MW
2004	2	WW Maasen,LK DH	Enercon E 70 E4	2.0 MW	4.0 MW
2004	2	WW Maasen und Sieden, LK DH	Enercon E 66 18.70-3	1.8 MW	3.6 MW
2004	5	WW Holzhausen, LK DH	Enercon E 70 E4	2.0 MW	10.0 MW
2005	10	WW Holzhausen, LK DH	Enercon E 70 E4	2.0 MW	20.0 MW
2005	5	WW Schwaforden, LK DH	Enercon E 70 -4	2.0 MW	10.0 MW
2005	1	WW HaaBel, LK DH	Enercon E 70 -4	2.0 MW	2.0 MW
2005	4	WW Wesenstedt, LK DH	Enercon E 70 -4	2.0 MW	8.0 MW
2005	11	WW Schwaforden II, LK DH	Enercon E 70 -4	2.0 MW	22.0 MW
2006	5	WW Schweringhausen, LK DH	Enercon E 82	2.0 MW	10.0 MW
2006	1	WW Marklohe – Oyle, LK DH	Enercon E 70 -4	2.0 MW	2.0 WM
2006	1	WW Schwaforden II, LK DH	Enercon E 70 -4	2.0 MW	2.0 WM
2007	1	Stohe,LK DH	Enercon E 70 -4	2.0 MW	2.0 WM
2007	2	WW Sulingen –Ost, LK DH	Enercon E 82	2.0 MW	4.0 MW
2007	6	WW Papsen, LK DH	Enercon E 70 – 4	2.0 MW	12.0 WM
2008	2	WW Scholen II, LK DH	Enercon E 70 – 4	2.0 MW	4.0 WM
2008	1	WW Maasen II,LK DH	Enercon E 82	2.0 MW	2.0 MW
2008	3	WW Sieden, LK DH	Enercon E 70 E4	2.3 MW	6.9 MW
2008	5	WW Ohlendorf,LK DH	Enercon E 70 E4	2.3 MW	11.5 MW
2009	2	WW Barenburg	Enercon E 82	2.0 MW	4.0 MW
	116				215.9 MW

Legend: WW = WestWind Windfarm; LK = Shire; Dh = Diepholz; NI = Neienburg/w; WAF = Warendorf

WestWind Energy Pty Ltd has received development approval for a number of wind farms in Australia and is working toward construction and operation of these projects:

Location	Number and type of wind turbines	Year Approved	Completed capacity
Mt Mercer, Australia	64 x ENERCON E-82	2007	up to 150 MW
Yendon, Australia	40 x ENERCON E-82	2009	up to 120 MW
Elaine, Australia	24 x ENERCON E-82	2009	up to 70MW

Over and above these projects WestWind Energy Pty Ltd is actively working on the development of a number of other wind farm projects and is working towards lodging a planning permit application for the 110 wind turbine Moorabool wind project later in 2009.

Previously WestWind Energy has successfully applied for an individual Generator Licence for the Mt Mercer Wind Farm and this was issued on 1 May, 2007.

Details of the proposed wind energy facilities

Yendon Wind Farm

The wind farm at Yendon is located on 2100ha of farmland approximately 17km south east of the city of Ballarat and approximately 2km east of the township of Yendon – Vicroads country directory map reference 76 H3, H4, J3 and J4

The wind farm will consist of up to 40 wind turbines with a rated capacity of 2-3MW each. The final installed capacity of the wind farm will be determined during the final planning and permitting process and in a cost optimisation process where grid capacity, land capability, wind resource, wind turbine technology and planning permit conditions will be considered. It is not expected that more than 120MW will be installed.

The generated electricity will be transformed to 33kV at each wind turbine and transmitted via underground cables within the wind farm to a substation at the northern end of the facility. There it will be stepped up from 33kV to 66kV and transmitted via an existing 66kV overhead power line to the Ballarat terminal station.

Elaine Wind Farm

The wind farm at Elaine is located on 720ha of farmland 2Km to the north west of the township of Elaine, a town approximately 25km due south east of the city of Ballarat – Vicroads country directory map reference 76 H5, H6, J5 and J6.

The wind farm will consist of up to 24 wind turbines with a rated capacity of 2-3MW each. The final installed capacity of the wind farm will be determined during the final planning and permitting process and in a cost optimisation process where grid capacity, land capability, wind resource, wind turbine technology and planning permit conditions will be considered. It is not expected that more than 72MW will be installed.

The generated electricity will be transformed to 33kV at each wind turbine and transmitted via underground cables within the wind farm to a substation at the northern end of the facility. There it will be stepped up from 33kV to 220kV and transmitted via an existing 220kV overhead power line to the Ballarat terminal station.

Moorabool Wind Farm and Moorabool South Wind Farm

The Moorabool Wind Farm Projects are still in the development stage. They are proposed to be located south of Ballan and 25-30 km southeast of Ballarat.

The proposal consists of 110 wind turbines in two sections. The Moorabool Section, to the north, is proposed to contain 51 wind turbines, and the Moorabool South Wind Farm to the south, is proposed to contain 59 wind turbines.

WestWind is expecting to lodge a planning permit application with the Minister for Planning in due course.

Objectives of the Essential Services Commission

The objectives of WestWind Energy Pty Ltd and the ESC in respect to this proposal are mutually consistent.

(1) To protect the long-term interests of Victorian consumers with regard to the price, quality and reliability of essential services

The wind farms considered here will contribute towards the protection of long-term interests of Victorian consumers with regards to long-term price stability and reliability of electricity. Wind is an abundant resource of free clean energy that can be transformed into electricity with proven technology at competitive prices. Wind power generation is not subject to fuel price fluctuations and current or future carbon constraints due to national and international greenhouse gas abatement programs. Hence, the cost of wind power is known at the inception of the project and is not subject to external factors like international fuel price developments (oil and gas in particular).

Wind power is produced with no harmful emissions and in conjunction with other forms of power generation will help reduce greenhouse gas and other harmful emissions and thereby increases the quality of power production in Victoria. In particular when considering that sound environmental management practices play a more and more important role in any quality assurance system.

Wind energy is a reliable source of energy with annual fluctuations in average wind speeds being much lower than annual fluctuations in precipitation. AEMO is in the process of implementing a production forecasting system for all wind farms in the NEM that will further help increase the quality and reliability of wind farms in the whole power system as it allows for an optimum balance of wind power with power generated from other sources like coal, gas or hydro. WestWind will be working closely with AEMO on the provision of relevant data and remote control functions of its wind farms.

The wind farms will comply with all national and state electricity codes that ensure a high degree of quality and reliability of the power supply. Compliance with the relevant electricity codes is an essential criterion for the choice of wind turbines and ancillary equipment for all of WestWind's wind farms.

(2a) To facilitate efficiency in regulated industries and the incentive for efficient long-term investment

The efficiency of the wind farms in the national grid will be enhanced by AEMO's production forecasting system for wind energy facilities and direct data access to WestWind's wind energy facilities by AEMO. Not only will this significantly facilitate the management function of AEMO with regards to managing the wind farms' output in harmony with other power stations and consumption but the overall efficiency of the power generation system will benefit from a wind farm production forecasting system.

(2c) To ensure that the misuse of monopoly or non-transitory market power is prevented and
(2d) to facilitate effective competition and promote competitive market conduct.

The proposal increases the number of power generators and hence competition in the market.

(2e) To ensure that regulatory decision making has regard to the relevant health, safety, environmental and social legislation applying to the regulated industry

WestWind Energy has a history of being a good corporate citizen in the areas where it operates its wind farms. The business is driven by concerns about the environment and aims at efficiently producing electricity using the lowest possible amount of resources and creating the lowest possible amount of harmful emissions. It is generally accepted that wind turbines produce zero emissions while they are converting wind energy into power and that the energy used to manufacture and install these turbines is generated 40 times over during their operational life.

The Australian Government is committed to comply with its targets under the Kyoto Agreement. The power generation industry that accounts for approximately one third of Australia's greenhouse gas emissions is required to contribute to the reduction in greenhouse gas and other emissions. This is written down in the Renewable Energy (Electricity) Act 2000 and the Renewable Energy (Electricity) Amendment Act 2009 and in particular in the National Renewable Energy Target, which forms part of the act. The permitted wind farms proposed here (Yendon and Elaine) will play an important role in achieving Australia's targets by producing in the order of 400,000 MWh of pollution free power per annum.

The Australian Government has a target of an additional 45,000 GWh of renewable energy in its energy mix and a share of renewable electricity supply of 20% by 2020. At present the share of renewables in the Australian electricity supply is less than 10%.

(2f) To ensure that users and consumers (including low-income or vulnerable customers) benefit from the gains from competition and efficiency

The proposal is an efficient and very competitive way to ensure long-term price stability of electricity as there is no fuel price risk and no price risk from any future carbon pollution reduction scheme. Together with the increase in competition in the power generation market this will benefit consumers.

(2g) To promote consistency in regulation between States and on a national basis.

The granting of a licence to WestWind Energy Pty Ltd is neutral with respect to this objective of the ESC.

Technical Capacity

The development and the future operation of the WestWind Energy wind farms will be conducted by the highly experienced management and staff of the WestWind Group. As can be derived from the above listed projects WestWind currently operates 116 wind turbines with a total capacity of 216 MW.

After commissioning of the wind farms, in co-operation with its turbine supplier, WestWind Energy will provide a 15 year management, maintenance and service package including a full warranty on all major components and guarantees 97 % technical availability of the fleet of wind turbines.

The operation and maintenance of the wind farms requires highly skilled personnel to ensure the high standards required by this concept. A number of full-time staff will be employed for the regular maintenance of each wind farm including a 24 hours standby service. Their activities also include condition monitoring and wind farm optimisation during operation. Based on WestWind's own past experience wind turbine availability figures of up to 99% are achievable using this concept.

Management Experience

With the realisation and operation of over 200 MW of high quality wind farm projects by the end of 2009 the management and senior staff of the WestWind group have established a successful business model and gained extensive experience in a highly competitive European market.

Gerard Meindertsma - Managing Director

Gerard had extensive experience as a graduated engineer in business administration and as project manager in the construction industry developing and constructing office buildings. The involvement in the Wind Energy business started in 1998 with the development of his own wind farm with 4 x E-40 in Lemke as a joint venture with Jörg Osterholz. This project was the start of the WestWind Group in 1998.

Gerard is a member of the German Wind Energy Association's operator's advisory board.

Jörg Osterholz – Managing Director

Jörg joined WestWind in 1999 after having worked as a graduated engineer in business administration and as project manager in the construction and surveying industry for many years. Following the joint venture with Gerard for their first project Jörg played a prominent role in the establishment of the ever expanding WestWind Group.

Otto Kraatz – Director Finance

Otto joined WestWind in 2003 and is responsible for project finance. He gained his experience in the wind energy industry by realising his own private project with 2 ENERCON E66 and by working for the Hypo Vereinsbank, a member of the UniCredit Group for over 5 years. As a senior manager for project & structured finance for wind energy projects he was responsible for project financing and project due diligence. The Hypo Vereinsbank financed about 20% of the 18,000 wind turbines installed in Germany.

Karl-Heinz Krampe – Director

WestWind Energy Pty Ltd is headed by Karl-Heinz, an Australian citizen, who has been involved in the wind energy industry since 1999 and contributes a vast amount of local knowledge. Karl-Heinz carried out technical market analysis for German companies being interested in Australian development as well as Australian companies being interested in European wind turbine manufacturers. He joined the WestWind Group in 2003 after the realisation of his own wind energy project with an ENERCON E66 on a 98 m concrete tower. In 2004 he lead the expansion of the WestWind group into Australia.

Tobias Geiger – General Manager (Australia)

Tobias Geiger joined WestWind Energy in 2004 and is responsible for the daily management of WestWind Energy Pty Ltd. As a graduated aerospace engineer with a Masters of Science, he worked in research and development for the aerospace and wind energy industries at the German Aerospace Centre in Stuttgart from 1994 to 1999. Following his migration to Australia in 1999 he established his own engineering consultancy and worked as a project manager and consultant in the nascent Australian wind energy industry. Tobias has substantial experience and technical know-how in the wind energy industry and has proven his project management capabilities in various projects in the aerospace, composite materials, wind energy and transport industries. He leads the development and commercialisation of the companies wind farms.

Grant Flynn –Operations Manager (Australia)

Grant Flynn joined WestWind Energy in 2006 and has led the development of the Lal Lal Wind Farm project. Once the Mt Mercer wind farm is established, Grant will be responsible for the operation of WestWind Energy's Australian wind farms. He has a degree in Applied Sciences and in Electronic and Electrical Engineering. Grant also has experience in the aluminium smelting and offshore oil & gas industries. In 1998 he established his own wind farm development company which obtained development approval for the Codrington Wind Farm in Victoria (Australia's first privately owned wind farm). This project was then sold to Pacific Hydro Limited and Grant became PHL's Wind Power Development Manager, establishing PHL's wind power portfolio of projects until 2002. Until 2006, Grant ran his wind farm development consultancy and was involved in most of the more significant wind farm developments in Victoria. He was the founding President of the Australian Wind Energy Association.

Financial viability

WestWind Energy Pty Ltd is not applying for a retail licence. Hence no detailed information on its financial viability is provided. However, the WestWind Group of companies had an annual turnover of between app. €65 million and €110 million over the last five years (these figures include project development, construction and revenue from power generation).

Incorporation Details

The Certificate of Registration of a Company for WestWind Energy Pty Ltd is attached to this document. WestWind Energy Pty Ltd and WestWind Energy Management Pty Ltd are wholly owned by the directors of the WestWind group of companies.

WestWind Energy Pty Ltd is primarily developing wind farms. WestWind Energy Management Pty Ltd will be operating and manageing wind farms developed by WestWind Energy. In general separate companies are established for each wind farm for administrative and legal reasons.

The Certificates of Registration of the four relevant sites that have been included in this application are also attached to this document.

Cross-ownership

The Westwind Group holds neither a controlling interest nor a substantial interest in any other licensee (as defined for the purposes of Part 3 of the Electricity Act). Accordingly, if granted a licence, WestWind Energy Pty Ltd will not hold a prohibited interest under section 68(2) of the Act.

MADGWICKS
ATTN: JO JACKSON
Level 19
535 Bourke Street
MELBOURNE VIC 3000

Remove this top section if desired before framing

Certificate of Registration of a Company

This is to certify that

WESTWIND ENERGY PTY LTD

Australian Company Number 109 132 201

is a registered company under the Corporations Act 2001 and is taken to be registered in Victoria.

The company **is limited by shares.**

The company is a **proprietary** company.

The day of commencement of registration is **the eighth day of July 2004.**

Issued by the
Australian Securities and Investments Commission
on this eighth day of July, 2004.

Jeffrey Lucy
Chairman

CERTIFICATE

Certificate of Registration of a Company

This is to certify that

YENDON WINDFARM PTY LTD

Australian Company Number 127 338 783

is a registered company under the Corporations Act 2001 and is taken to be registered in Victoria.

The company is limited by shares.

The company is a proprietary company.

The day of commencement of registration is **the thirty-first day of August 2007.**

Issued by the
Australian Securities and Investments Commission
on this thirty-first day of August, 2007.

Anthony Michael D'Aloisio
Chairman

CERTIFICATE

Certificate of Registration of a Company

This is to certify that

ELAINE WINDFARM PTY LTD

Australian Company Number 127 338 827

is a registered company under the Corporations Act 2001 and is taken to be registered in Victoria.

The company **is limited by shares.**

The company is a **proprietary** company.

The day of commencement of registration is **the thirty-first day of August 2007.**

Issued by the
Australian Securities and Investments Commission
on this thirty-first day of August, 2007.

Anthony Michael D'Aloisio
Chairman

CERTIFICATE

Certificate of Registration of a Company

This is to certify that

MOORABOOL WIND FARM PTY LTD

Australian Company Number 135 829 846

is a registered company under the Corporations Act 2001 and is taken to be registered in Victoria.

The company **is limited by shares**.

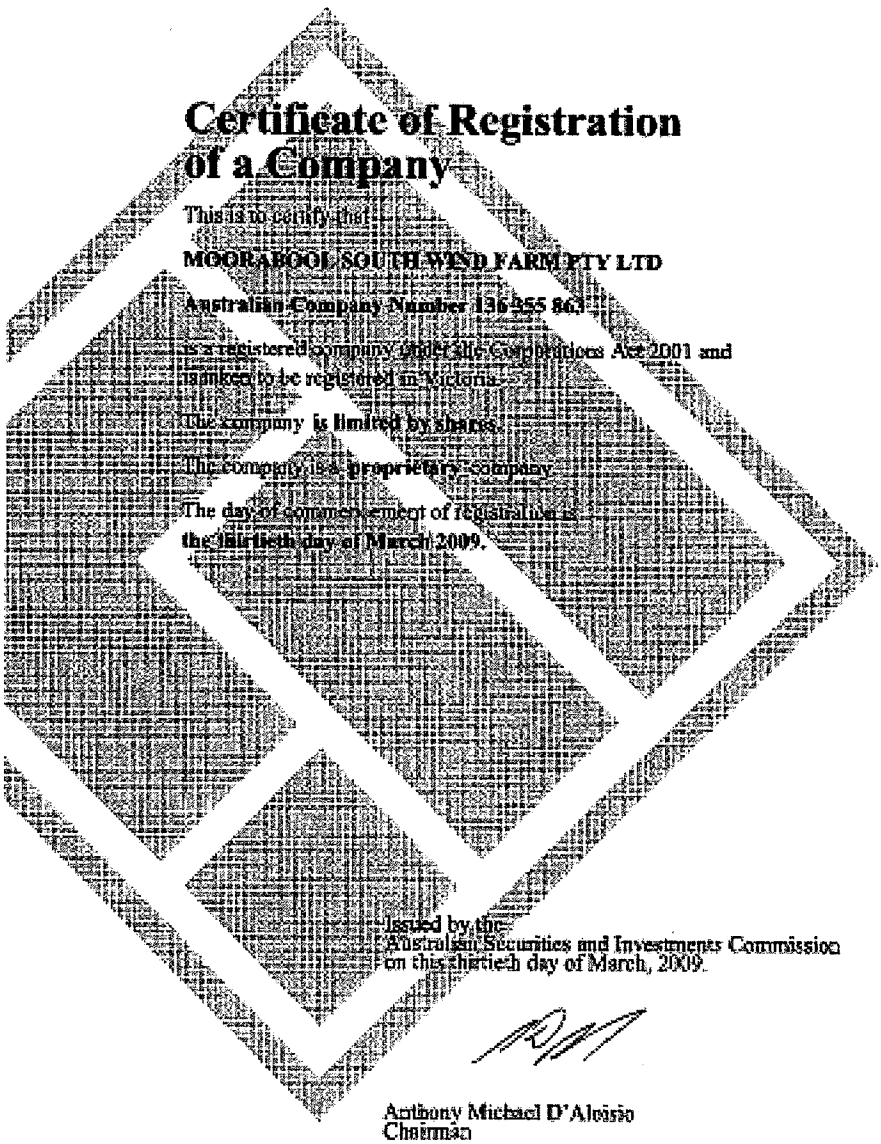
The company is a **proprietary** company.

The day of commencement of registration is **the twelfth day of March 2009.**

Issued by the Australian Securities and Investments Commission on this twelfth day of March, 2009.

Anthony Michael D'Aloisio
Chairman

CERTIFICATE



Certificate of Registration of a Company

This is to certify that

MOORABOOL SOUTH WIND FARM PTY LTD

Australian Company Number 136 255 863

is a registered company under the Corporations Act 2001 and is taken to be registered in Victoria.

The company **is limited by shares.**

The company is a **proprietary** company.

The day of commencement of registration is **the thirtieth day of March 2009.**

Issued by the
Australian Securities and Investments Commission
on this thirtieth day of March, 2009.

Anthony Michael D'Aloisio
Chairman

CERTIFICATE