



MEGAWATT CAPITAL

RENEWABLE ENERGY INVESTORS AND FINANCIERS

# Turning Panels into Projects

Renewable Energy Project Development

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# What is “Utility-scale Renewable Energy Development”?

- Creating Renewable Energy Projects
  - ❑ From scratch
- Similar to Property Development
  - ❑ Find a site
  - ❑ Secure Permits
  - ❑ Negotiate connection
  - ❑ Lock-in off-take
  - ❑ Contract Procurement and Construction
  - ❑ Finance
- *Generate a Development Profit*

# The Joys of Utility-scale Renewable Energy Development

- Generating profit *sustainably*
- Helping to unlock the unique potential of renewable energy
- Riding a wave
  - ❑ Reducing renewable energy costs
  - ❑ Increasing energy costs generally
- The assistance of *ARENA* and the *CEFC*
- Combining all the practical disciplines to achieve success
- Leaving a meaningful physical legacy

# The Challenges of Utility-scale Renewable Energy Development

- Generating profit *sporadically*
  - ❑ Requires patience, funding, belief
- Political Risk and uncertainty
  - ❑ 2012 Renewable Energy Target Review
  - ❑ 2013 Federal Election
  - ❑ 2014 Renewable Energy Target Review
- Uncertain future for *ARENA* and the *CEFC*

# Necessary Conditions for Success

- It is all about securing the revenues
  - Yes, we do need:
    - ❑ Ready Access to Debt and Equity Finance
    - ❑ Confidence in the Technology
    - ❑ A Positive Permitting environment
    - ❑ Dependable contractors
    - ❑ Consultants with expertise
- But in Australia, - we have all of these
- In other jurisdictions, it is often different

# The Outlook

- It depends on securing the revenues
- Mechanisms to accomplish this include:
  - ❑ RET certainty first
  - ❑ Higher power prices
  - ❑ Reduced renewable energy costs
  - ❑ Declining demand for grid-connected power
  - ❑ Disintermediation of Energy Companies
  - ❑ Taking a bet on future prices
- So the outlook is positive, but not certain