



Retail Licence Exemption Application

Version 6: September 2016

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Executive Summary:

SPPA retail exemption application, specific corporate, financial and technical information.

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1. Corporate Information

Applicants Details

Legal and Trading Name

CSP National Pty Ltd
ABN: 24168946914
ACN: 168946914

Ownership and Directors

CSP National Pty Ltd is 100% owned by Cameron Gardiner.
Cameron Gardiner is the sole Director of CSP National.

Postal Address

CSP National Pty Ltd
PO Box 564
Fremantle WA 6959

Nominated Contact Person all correspondence

Name: Cameron Gardiner
Position: Managing Director
Email: Cameron.gardiner@cspnational.com.au
Mobile: 0404 486 413

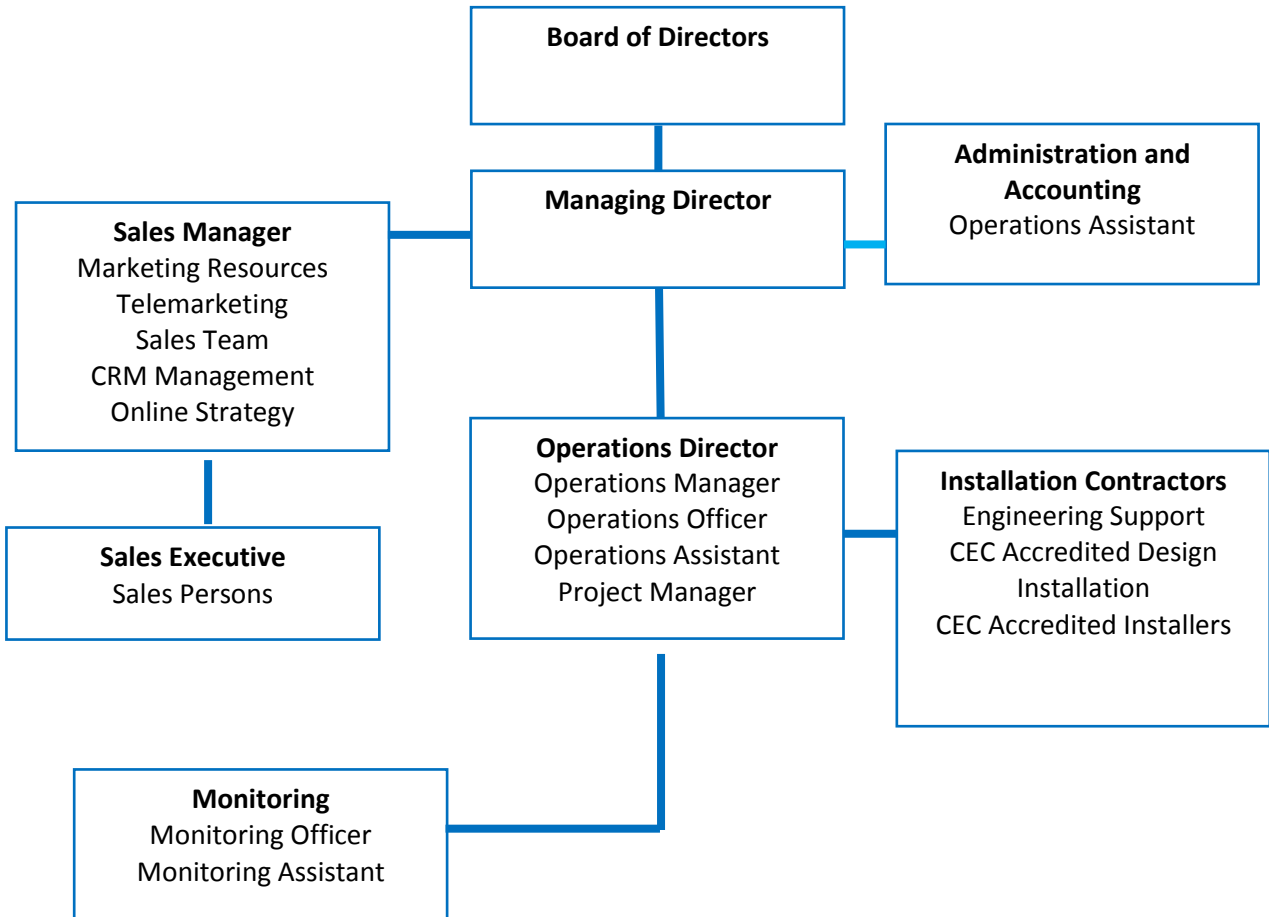
Description of the Company

CSP National Pty Ltd (CSP) installs residential and commercial solar power systems, and works with customers to reduce their overall energy use.

Our vision is to help businesses and communities take control of their energy use and manage costs while reducing carbon emissions.

The company is a privately owned Proprietary Limited entity based in Western Australia, with no other associated or controlled entities at this time.

Organisation Chart



2. Business Model Description

CSP will continue to install commercial solar power systems and provide related services under conventional (buy/lease) arrangements.

This Retail Licence Exemption will enable CSP to add Solar Power Purchase Agreements to its suite of offerings.

CSP will primarily target medium-to-large commercial customers; sophisticated buyers who can adequately assess risks and rewards and make sound commercial decisions.

CSP has a number of customers IN REGIONAL AREAS waiting for CSP to be granted this exemption, including the >500kW Meekatharra Community Consortium project.

It is anticipated the SPPA-based model we have developed for Meekatharra, which is fully supported by Horizon Power, would be able to be rolled-out across numerous regional locations.

Number of SPPAs Forecast

- 500-750 commercial Customers (i.e. not residential)
- Circa 50 megawatts installed over 3 years.

3. Relevant Experience

CSP was established in 2014 by Cameron Gardiner and brings together an award winning team who have substantial experience with the development and implementation of renewable energy projects and sustainability strategies. Our work crosses a range of sectors, including local government, private sector, non for profit sector and residential sector across Australia.

Sector Experience

- 10 Megawatts of Residential Solar Power Sold nationally
- 700kW of Commercial Solar Power Sold in Western Australia
- Alinta Energy: Registered Energy broker
- Perth Energy: Selected to provide Energy Efficiency services and Energy Broker
- Synergy: Selected as part of Energy Team to provide Energy Efficiency Services
- Horizon Power: Renewable Energy: Solar Sales Team for High solar value towns

Key Personnel Experience

Cameron Gardiner

Managing Director
CSP National Pty Ltd
 Jun 2014 – Current

Current project providing commercial solar power systems, Energy contracting and brokering and Energy Efficiency Services to Commercial Business in Western Australia. Providing costing models and financial consulting for renewable and energy efficiency projects.

Director, Strategic Program Manager
Ecosmart Programs Pty Ltd / Mojarra Pty Ltd
 Dec 2003 – Jun 2014

Founder of Ecosmart Programs in 2003 to deliver the Ecosmart House program to local governments. Mojarra Pty Ltd (formally Ecosmart Programs) provided large scale sustainability, energy, waste and water efficiency projects for commercial clients.

Qualifications

Academic Qualifications	University / Institution	Year of Completion
Associate Diploma of Business Studies	Swinburne Tafe	1991
Bachelor of Commerce	Deakin University	1995
IAP2 Certificate Course in Public Participation	International Association for Public Participation	2000
306831 (v.3) Eco-Efficiency 603: Master in Cleaner Production [MCleanerProd(<i>Curtin</i>)]	Curtin University: Centre of Excellence in Cleaner Production	2002
306833 (v.2) Industrial Ecology 603: Master in Cleaner Production [MCleanerProd(<i>Curtin</i>)]	Curtin University: Centre of Excellence in Cleaner Production	2002
First Rate 3: Home Assessors Course	Sustainable Energy Development Office, WA	2005
Greensmart Professional Training	Housing Institute Association (WA)	2007
CN0174 Course in Electrical Contractor Training - EA 103B: General Legislative Requirements - EA102: Establishing a Contracting Business	Combined Skills Training Association	2010

Program Experience

EcoBusiness Program Report: 2007: City of Joondalup, City of Stirling, City of Wanneroo (AusIndustry).
 Director: Ecosmart Programs Pty Ltd Funding: \$330,000.00.

Ecosmart Living Program Western Sydney Report: 2004-2005: Integral Energy, Department of Utilities and Environment (NSW), Landcom, Western Sydney Local Government Association. Director: Ecosmart Programs Pty Ltd: Funding: \$275,000.00.

Ecosmart Household Program Reports: 2003-2007: City of Wanneroo, City of Joondalup, City of Mandurah, City of Northam, Town of Port Hedland. Director: Ecosmart Programs Pty Ltd: Funding: \$115,000.00.

Cleaner Production Statement: Cleaner Production Action Plan(s): Department of Agriculture (WA) University of Notre Dame (WA). West Australian Sustainable Industry Group; Research Associate: Centre of Excellence Cleaner Production; Curtin University; 2002-2003:

Cleaner Production Case Studies: Department of Environment; Australian Government. Research Associate: Centre of Excellence Cleaner Production; Curtin University; 2002-2003.

Hope for the Future: the West Australian State Sustainability Strategy 2003: Sustainability and Business. West Australian Sustainable Industry Group; Research Associate: West Australian Sustainable Industry Group, Centre of Excellence Cleaner Production; Curtin University; 2002-2003.

Awards

Awards for Excellence 2006: Ecosmart: C-Air Hillarys: Residential Development Less Than 250 Lots. Urban Development Institute Australia (WA): 2006.

EcoSmart Living Program for Western Sydney: Department of Utilities and Sustainability; News South Wales Government: Green Globe Award 2006.

EcoBusiness Program; Ecosmart Programs Pty Ltd, City of Joondalup; West Australian Department of Premier and Cabinet; WA Environment Award - Energy Efficiency 2007.

Environs National Sustainable Leader Award: Ecobusiness Program: Ecosmart Programs Pty Ltd 2008.

4. Financial Declaration

I hereby declare that CSP National Pty Ltd is not in administration, receivership or insolvency, nor has an official been appointed to control any part of the business or its property.

No application or resolution has been passed or steps taken to wind up CSP National Pty Ltd. CSP National is not aware of any other factors that may impede its ability to finance and service solar PPA customers under the proposed business model.



Cameron Gardiner
Managing Director

5. Product Disclosure Statement

See Appendix 1: CSP National SPPA Product Disclosure Statement.

6. Other equivalent licences, exemptions or authorisations to operate

CSP National does not hold any other energy licences, licence exemptions or retailer authorisations, or previously held or been subject to, in any Australian state or territory, including Western Australia.

As such there are no breaches of licences, exemptions or authorisations, where a penalty or enforcement order was applied. There are no current or ongoing investigations about an alleged breach of a licence, exemption or authorisation.

7. Public interest information

There is no evidence to suggest the Governor granting a licence exemption would be contrary to the public interest.

Granting a licence exemption *serves* the public interest in the following ways:

- 1. Regional Sustainability** – CSP intends to serve regional communities through provision of individual SPPAs to members of community-based consortiums. Taking this portfolio/consortia approach enables individual SPPAs to be structured to maximise returns to the individual customers and to the broader community.
- 2. Environmental** – granting this exemption will facilitate new installation of clean, green, energy sources at sites where financial considerations had rendered solar unviable, thus reducing the State’s environmental footprint.
- 3. WA Economic** – granting of this exemption will enable CSP to install solar power where financial considerations previously made buy/lease options unviable. The lower – and more stable – energy pricing CSP will be able to offer is expected to increase the productivity and profitability of numerous small and medium businesses in metropolitan and regional areas. Further, CSP will be employing local advisors, contractors and service-providers to complete solar projects, thus making direct contributions to numerous communities.

Public Interest - Meekatharra Solar Project

An excellent example of the work CSP is doing – and will expand upon once an exemption is granted – is the Meekatharra Project.

CSP National is co-leading – along with the community itself – the development of a 1 Megawatt Virtual Solar Farm in Meekatharra, Western Australia.

The Community Consortium includes the Local businesses, the Hotel, the local Shire, a successful indigenous corporation and many more.

On behalf of this community, CSP have been working closely with Horizon Power for more than 2 years to come up with a socially responsible, financially rewarding and technically advanced solution. All participants are excited by the preferred SPPA-based offer.

The project has triggered some significant shifts within Horizon Power’s thinking, and they have proved themselves to be flexible and pragmatic in order to get the best outcomes for all parties.

We look forward to facilitating learning that will be valuable to the entire State and other solar solution providers, and in particular to help make Horizon Power’s first Community Energy Trading Model a success.

Ultimately, the Meekatharra project will ‘test’ a whole raft of technical, social and contractual assumptions and enable a significant roll-out of similar Community-Led projects across Western Australia.

Attachment 1: CSP National Product Disclosure Statement

(Overleaf)

Product Disclosure Statement

[Draft]

This Product Disclosure Statement (PDS) contains important information that supplements your Solar Power Purchase Agreement (SPPA). You should read this PDS in conjunction with the SPPA to determine its suitability for you.

What is a Solar Power Purchase Agreement?

Our SPPA enables customers to meet part of their energy requirements from solar panels installed on their site, rather than from their electricity retailer.

We offer this because many customers appreciate:

1. No upfront costs
2. Low risk
3. Spend less on energy
4. Smaller environmental footprint
5. Doesn't tie-up capital or add debt load

What is the offer?

The Term of this SPPA is [____] years.

The Rate for each kWh is [\$____] for the first year, and will escalate annually in line with CPI.

In the first year we estimate The System will produce [____] kWh and you will pay us approximately [\$____]

System Ownership & Maintenance

The System is owned by CSP National and we will maintain and operate it over the Term of the SPPA. In the event you damage the system or diminish its performance, you will need to pay us to restore it and make-good any revenue shortfalls.

You still need a contract with a Primary Electricity Provider

Electricity procured under a SPPA is an alternative service and the electricity generated by the solar power system cannot be your primary source of electricity, meaning you will need to continue to maintain an electricity supply contract with a Licenced Electricity Retailer for the balance of your power needs.

Protections

As SPPA providers are exempt from requiring a Retail Electricity License, they are not bound by the obligations of the Act or its subsidiary legislation relevant to licensees, including the obligation to be a member of the Electricity Ombudsman Scheme.

However the supply of electricity services to consumers under this SPPA is subject to consumer protections under the Australian Consumer Law (ACL).

Things you do

1. Help us obtain approvals to connect your system
2. Ensure we have ongoing site access (to install, maintain and repair as necessary)
3. Make sure your building and electrical wiring continue to enable safe and proper operation of the system
4. Maintain appropriate insurance cover

Metering & Billing

CSP will monitor electricity production with Network Compliant NMI Pattern Approved Class 1 Accuracy (+/- 1%) metering equipment (for example Schneider Electric Acti 9 iEM3350 for 125A three phase connections).

Bills will be sent electronically on a monthly basis, and can be paid by direct debit, Visa, or Mastercard. Payment terms 30 days.

Fees, charges and adjustments

Providing your account is in good order, all you will pay us for is electricity generated by The System at the agreed rate. This rate will escalate annually by the published CPI figure. Note that the agreed rate cannot escalate higher than the rate you are charged by your general electricity provider (i.e. our price can't exceed their highest bundled per-kWh rate).

Paper Bills can be arranged and will attract a Handling Fee.

Other payment options not described above may be available, but will attract a Payment Fee.

If the system is deactivated for any reason, you may be required to pay an Activation Fee.

Termination Fees may be charged as per the Early Exit section below.

Late payments will attract a Late Payment fee, sufficient only to cover direct costs.

With the exception of the Agreed Rate, all other fees and charges may be adjusted to reflect changes in our costs.

Fees and charges may change, and new fees may be introduced, as a result of changes in Law or Regulation which affect the SPPA.

Liability

Under the terms of your electricity supply contract or other contract with your electricity retailer, you may be liable for any damage the solar power system causes to the network that you are connected to. CSP National mitigates this risk through use of compliant equipment and certified installation practices.

What happens at the end of this contract?

Six months prior to expiry we will notify you. We may offer you one or more of the following opportunities:

1. to extend the agreement on the same or similar terms to this original SPPA and PDS,
2. to sell you The System at a negotiated price,
3. to pay us (reasonable costs) to remove the system and make-good the premises.

Can I exit the contract early?

You can cancel this contract without penalty during the cooling-off period, which starts on the day you sign this contract and ends at midnight on the 10th business day after that.

If any of the following occurs, you can exit the contract early, without penalty or expense:

1. We breach our obligations and you notify us and the breach has not been rectified within 6 weeks, or
2. Force Majeure results in CSP National being unable to meet its obligations for more than 6 months.

(Early Exit under these conditions does not affect your obligation to pay any outstanding or due charges)

You can exit at any time, providing you give us 6 weeks' notice and:

1. Pay our Termination Fee; or
2. You buy The System from us; or
3. You help us transition the contract to a new party at the same site/premises (i.e. if you sell the business or move).

The Termination Fee will include all reasonable expenses associated with decommissioning and removing The System, and making-good the premises. If Termination occurs within the first 4 years, you will also reimburse what we spent on design, approvals and installation of The System (i.e. everything except the inverter, meter, racking and solar panels).

Can CSP terminate the contract early?

Yes, if we have notified you of a breach and that breach has not been rectified within 6 weeks. In this situation, the Termination Fee would apply, or you could offer to buy The System from us.

We may also terminate in the event the contract is no longer considered commercially viable. In this instance no Termination Fee would apply, and we would remove the system and make-good the premises.

Force Majeure

Neither Party will be in breach of SPPA nor liable for any delay or failure to comply with SPPA to extent that such delay or failure is attributable to the occurrence of a Force Majeure Event.

Complaints & Resolution

We take complaints and problems seriously. Calls to our hotline are handled by senior staff with wide-ranging authority to resolve issues on the spot. If the issue remains unresolved, you or our senior staffer can refer the matter to the CEO. If you are still unsatisfied, both parties agree that the next escalation is professional mediation, with the first session funded by us. Matters needing to be escalated beyond mediation have recourse to the law. If we have an issue with you, we will follow the same pathway, beginning always with a phone-call to you.