

## An \$8.5 million federal government grant and long-term state purchase...

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Queensland Country Life

An \$8.5 million federal government grant and long-term state purchase arrangement has the developer of a new solar project in the Gulf Savannah a step closer to construction.

**Genex Power** is developing the former Kidston gold mine site, 270 km northwest of Townsville, into a renewable energy hub, which will include a pumped storage hydro project and solar project.

Australian Renewable Energy Agency (ARENA) has granted the project federal government funding of up to \$8.5 million under its large scale solar funding program to assist construction costs for the 50 megawatt stage one of the Kidston Solar Project.

The project was one of 21 applicants shortlisted from 77 expressions of interest for \$1.1 billion in funding.

**Genex** managing director Michael Addison said the company's partnership with ARENA targeted the stimulation of solar activity projects across Australia.

"ARENA has played a vital role in the development of large-scale solar photovoltaics (PV), injecting confidence into the solar industry and helping to build competitive supply chains," Mr Addison said.

"The estimated construction costs for the company's solar project will benefit significantly from this competitive environment.

"Additionally, the significant natural advantages of the site such as the high solar yield prevalent in this part of North Queensland, favourable ground conditions

and existing infrastructure provide a compelling investment case."

The funding comes as **Genex** secures a long term price guarantee arrangement with the Queensland Government.

The arrangement is known in the electricity industry as a Power Purchase Arrangement and means 100 per cent of the power produced from the project will be surrendered to the state.

"The Queensland Government is leading the way for a renewable energy future by providing long term cash flow certainty to underpin the financing of projects," Mr Addison said.

ARENA chief executive officer Ivor Frischknecht said Australia's big solar industry was coming of age thanks to ARENA support, ensuring large-scale solar was a competitive, sustainable energy option.

"ARENA had been a driving force in bringing down costs and accelerating the commerciality of large-scale solar in Australia and has carried out a multi-year plan to build capacity in Australian supply chains and expertise over successive projects," Mr Frischknecht said.