

Australia's Genex inks connection deal for 50-MW solar project

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Solar park. Author: Chris Baird. License: Creative Commons, Attribution 2.0 Generic.

May 10 (SeeNews) - Australian company Genex Power Ltd (ASX:GNX) Tuesday said it will grid-connect the first 50-MW stage of its Kidston solar photovoltaic (PV) project via Ergon Energy Corp Ltd's distribution network.

Genex is developing a huge pumped-storage hydropower plant and the 150-MW solar park, together the Kidston Project, at a disused mine site in northern Queensland.

The company's unit Genex (Solar) Pty Ltd has signed two separate binding agreements, which allow the output of the solar farm to be fed to the National Electricity Market (NEM) over a 25-year period. While the Negotiated Ongoing Connection Contract outlines the terms of the conditions of the electricity transfer to the local network, a Negotiated Connection Establishment Contract governs the upgrade of the existing substation.

The Kidston solar park will be officially hooked to the grid once all substation upgrade works have been wrapped up, according to the statement. The next step for Genex will be to secure a power purchase agreement (PPA) for the facility.

Along with recent freehold land acquisition, development and environmental nods, all other key material approvals and titles are now in place to enable solar construction later in 2016, the company added. In addition, Genex is currently working on finalising the engineering, procurement and construction (EPC) contract for the plant.

Genex is now focused on narrowing down its financing options. The appointment of a project finance bank is expected in the short term. Discussion are in progress with a number of equity partners to fund all or part of the project construction equity, the company said.