

## Solar dollars start rolling in at Genex's govt-backed energy hub Resources

### Stockhead

#### Rachel Williamson

Genex Power, the owner of the Kidston Renewable Energy Hub in North Queensland, threw off \$1.4 million in revenue in March, four months after starting generation.

Power generation from Stage 1, a 50 megawatt (MW) solar farm, was 9223 MWh, the company says.

Right now revenue is made from energy sales into the National Energy Market and the sale of Large Scale Generation Certificates (LGCs).

Director Simon Kidston says they are receiving on average an energy price of \$80-85 per MWh and about \$85 per LGC.

At those prices, Genex (ASX:GNX) made about \$765,000 from energy sales and about \$620,000 from LGC sales.



Genex shares over the last six months.

Once this stage of the project is fully completed in July, the LGC revenue will be taken over by the Queensland government, meaning Genex will only receive the energy revenue.

Mr Kidston told Stockhead that this stage of the project is expected to generate between \$15-16 million a year in energy revenue, once it hits nameplate capacity next month of 12,000 MWh per month.

July is also when the Queensland Government Revenue Support Deed will start.

The State Government signed a 20-year price guarantee for the first phase which guarantees Genex a minimum price of "just under \$90 per MWh".

Mr Kidston says the floor is effectively \$13 million in revenue.

If power prices fall below the guaranteed rate the Queensland Government will top up Genex's earnings. If they don't, Genex still gets to keep everything above that floor.

"It's a really smart program they've implemented. The floor price they've guaranteed means in practice they're unlikely they will have to put their hand in their pocket," Mr Kidston said.

Genex is now focusing on gaining financial close for the Stage 2 projects, a 270 MW solar farm supported by a 2750 MW hydro plant.

Genex was trading 3 per cent lower on Friday morning at 29c.

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