Renewable energy.

investment opportunities in South Australia
**The Australian Renewable Energy Race: 2016 Score Card**

<table>
<thead>
<tr>
<th>State</th>
<th>NSW</th>
<th>VIC</th>
<th>WA</th>
<th>QLD</th>
<th>TAS</th>
<th>SA</th>
</tr>
</thead>
<tbody>
<tr>
<td>Overall Score</td>
<td>D</td>
<td>C</td>
<td>C</td>
<td>C</td>
<td>B</td>
<td>A</td>
</tr>
<tr>
<td>Renewable Electricity</td>
<td>6%</td>
<td>10%</td>
<td>13%</td>
<td>7%</td>
<td>95%</td>
<td>40%</td>
</tr>
<tr>
<td>Large-scale renewables (excl hydro) per Capita (kW/cap)</td>
<td>0.14</td>
<td>0.23</td>
<td>0.23</td>
<td>0.24</td>
<td>0.62</td>
<td>0.88</td>
</tr>
<tr>
<td>Households with Solar PV</td>
<td>14.1%</td>
<td>14.2%</td>
<td>22.5%</td>
<td>29.6%</td>
<td>12.1%</td>
<td>28.8%</td>
</tr>
<tr>
<td>Renewable Electricity Targets</td>
<td>-</td>
<td>At least 20% by 2020</td>
<td>-</td>
<td>50% by 2030</td>
<td>-</td>
<td>50% by 2025*</td>
</tr>
</tbody>
</table>

* Climate Council of Australia Ltd 2016: Game On: The Australian Renewable Energy Race Heats Up, published in May 2016. Due to lack of comparable data on percentage of renewable energy in electricity supply to the territories, the territories are not given a grade.

* South Australia achieved 51% of electricity from wind and solar resources between 10 May 2016 and 31 July 2016, according to Australian Energy Market Operator (AEMO): South Australian Electricity Report, published in August 2016.
Invest in Australia’s renewable energy capital

South Australia’s reputation as the nation’s leader in renewable energy and low-carbon initiatives is creating opportunities for investment by global companies with a clean, green focus.

South Australia aims to be a low-carbon electricity powerhouse and a net exporter of renewable energy in the future and in the process, decarbonise its energy and transport sectors.

Through the South Australian Government’s Climate Change Strategy 2015 - 2050 and ‘A low carbon Investment Plan for South Australia’, our goal is to achieve A$10 billion investment in low carbon energy generation by 2025, 50 per cent of electricity production by renewable energy by 2025, and zero net carbon emissions by 2050.

We welcome investors that have expertise in this field who can assist South Australia to achieve our objectives and simultaneously, further green ambitions across the world.

South Australia has a mix of renewable energy resources which is both unique and as extensive as anywhere in the world.

This includes abundant wind resources capable of being accessed from hundreds of kilometres of uninhabited and semi-inhabited coastline. Our solar resource is outstanding in world terms as is the prospective wave energy resource.

Only a fraction of South Australia’s renewable energy resources are being used at present. The quality of these resources is such that they can be used to produce much more renewable energy at competitive prices not only to respond to the critical issue of climate change, but also to build the state’s competitiveness and resilience in an increasingly carbon-constrained global economy.

To further the state’s ambitions, the South Australian Government and the Adelaide City Council have together announced the goal of making our capital city Adelaide the world’s first carbon neutral city.

Now is the time to look at investing in South Australia’s renewable energy sector.
Why South Australia for renewables?

South Australia presents companies seeking opportunities to invest in renewable energy projects with not only vast natural resources, but a business environment that complements your company’s commitment to innovation and focus on green technologies.

Progressive government

The South Australian Government recognises there is an opportunity for our state to be a truly international and innovative economy, by supporting new industries and jobs as we move towards a low carbon future.

We are setting an example for the rest of Australia on how to transition electricity supply to a low carbon future with more than 40 per cent of our electricity generated coming from renewable energy.

We do this by providing:

- a clear policy and efficient regulatory environment
- information to inform investment
- sponsoring uptake and wider market deployment, and
- facilitation of projects to leverage funding and support. This approach has already seen us achieve over A$7 billion investment in renewable energy of which 40 per cent has been realised in our state’s regions.

Our Low Carbon Investment Plan for South Australia stands alongside South Australia’s Climate Change Strategy 2015-2050, which outlines the state government’s aspirations for a low carbon, resilient economy.

South Australia was the first state to introduce land use planning guidelines for wind farm developments in 2002 and to introduce a feed-in tariff in 2008.

In 2012, all council development plans in the state were amended to provide greater certainty in areas where wind farms can be expected, and articulate specific guidelines in relation to visual amenity.

More recently, the government also passed legislation to allow renewable energy investors to access Crown-owned land leased for pastoral purposes, and to enable wind farms and mining interests to co-exist under a multiple land use framework.

Our Energy Plan 2017

The South Australian Government announced a new A$550 million comprehensive energy plan in February 2017 which will create a number of opportunities in the energy sector. The plan will enable the state to lead Australia’s transformation to the next generation of renewable energy storage technology and create an international reputation in high-tech industries.

The government will establish a A$150 million fund to support projects that make renewable energy available 24/7, to provide power when needed. The Renewable Technology Fund will provide A$75 million in loans and A$75 million in grants. The first project will be a grid-connected battery, the largest in Australia, to provide 100 megawatts of storage.

For more information: ourenergyplan.sa.gov.au
South Australia’s reputation as the nation’s leader in renewable energy and low-carbon initiatives is creating opportunities for investment.

Low Carbon Economy Unit (LCEU)

In January 2016, the South Australian Government established this unit to position the state as a global leader in the low carbon economy through maximising associated economic and job creation opportunities.

RenewablesSA

RenewablesSA, located within LCEU, works to remove barriers to investment through policy and regulatory changes, provides commercially relevant information to potential investors and works with companies to develop projects in South Australia and take advantage of federal government funding.

Bioenergy

Aligned to South Australia’s embrace of renewable energy, a bioenergy roadmap for the state was developed in 2016. The study investigated locations of potential inputs (feedstock and type), available volumes and output opportunities (e.g. methane or bio-diesel etc); so as to match energy demands with potential bioenergy supply.

Hydrogen

The South Australian Government aims to further the state’s reputation as a leader in renewables by being the green hydrogen capital of Australia. A hydrogen roadmap for the state is currently being developed for release in mid-2017. The roadmap will outline South Australia’s approach to supporting investments in green hydrogen production and developing a sustainable hydrogen industry.

Competitive business environment

South Australia offers a range of cost advantages improving your company’s bottom line. In fact, Adelaide was ranked the most cost competitive city in Australia in KPMG’s 2016 biennial Competitive Alternatives Report.

Labour costs in South Australia are eleven per cent below the Australian average making our state a great place to expand your workforce.

A major tax reform package released in the 2016 State Budget will see almost $670 million in state tax reductions over the next four years and the phasing out of payroll tax, making South Australia the lowest taxing state in Australia for business.

Established transport corridors

With a well-planned supply of affordable industrial land, linked to strategic infrastructure and transport corridors, the cost of doing business here is highly competitive.

South Australia’s central location provides the ideal gateway into Australia and out to Asian markets and beyond through our modern air, sea and rail freight channels.

Our international airport is only six kilometres from the CBD – 15 minutes by taxi and services seven countries direct with 45 flights per week.

We have major arterial roads that provide ease of access from east to west, north to south freight movement with simple rail connections.
South Australia’s solar resource is outstanding in world terms.

**Solar energy**

South Australia has an outstanding solar resource which can supply the east coast of Australia at peak price periods.

Comprehensive solar insolation data is readily available across South Australia for a typical meteorological year. Potential investors can use this data to run simulations and find the likely electricity output a solar power station would produce at each location.

The irradiance levels at Roxby Downs in northern South Australia are world class and have been recorded at 2,500 kWh/m² per annum. This resource compares directly with Spain, southern Europe, northern Africa and the Middle East which have recorded levels of 2,000-3,000 kWh/m² per annum.

Opportunities

- World class resource
- Regulatory Environment
- Land Access

Strengths

- Local supply chain
- Solar resource data
- Infrastructure access
Solar resources in South Australia
Opportunities for solar farms

The map shows the South Australian transmission network, owned by ElectraNet, made up of over 5,600 circuit kilometres of lines and cables and substations. Only 275kV and 132kV transmission lines are shown, together with gas pipelines and major roads.

Overlaid on the state map is satellite-derived average global hourly irradiance data (MJ/m²), based on information provided from the Bureau of Meteorology, prepared by ITP Renewables.

In the northern part of the state, the intense solar resources are appropriate for off-grid investment opportunities.

Opportunities presented are adapted from South Australian Transmission Annual Planning Report 2016, published in July 2016.

The pink circles represent locations and maximum capacities for potential new renewable generation to be connected to the existing South Australian transmission network. The yellow circles are anticipated growth required from expected mining growth based on connection inquiries to ElectraNet.

Project proponents seeking to develop new opportunities are encouraged to engage ElectraNet to carry out detailed analysis of connection options.
There are currently 18 operational wind farms in South Australia with installed capacity of 1,595MW.

Wind energy

In the past 12 years wind energy generation in South Australia has increased from virtually negligible levels to approximately 35% of South Australia’s total annual electricity production in 2015-16. This growth has seen our state become a global leader with the second highest market penetration of wind generation capacity per capita in the world, second only to Denmark.

There are currently 18 operational wind farms in the state with installed capacity of 1,595MW and our land use planning system is regarded by wind farm developers as clear, efficient and the best within Australia.

Key wind facts

- $4b invested in wind generation
- 18 wind farms fully operational
- 1,595MW installed capacity
- 37% of Australia’s total installed wind capacity

Opportunities

- World class resource
- Regulatory Environment
- Destination of choice
- Sparse population

Strengths

- Excellent potential
- Certainty & transparency
- National best practice land planning
- Minimal community impact
The map shows the South Australian transmission network, owned by ElectraNet, made up of over 5,600 circuit kilometres of lines and cables and substations. Only 275kV and 132kV transmission lines are shown, together with gas pipelines and major roads. Locations of existing wind farms are also represented in the map.

Overlaid on the map is the average wind speed data at 150 metres in height, based on 2005-2014 resource data provided by Geosciences Australia, Australian Energy Market Operator and DNV GL 2016, prepared by ITP Renewables.

Opportunities presented are adapted from South Australian Transmission Annual Planning Report 2016, published in July 2016.

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South Australia’s economy at a glance

Ranked 5th in the list of the world’s most liveable cities

Gateway to Australia

The Defence State

Property prices and leasing rates
60% cheaper than Sydney for premium office space

Full-time labour costs
9% to 20% below the eastern states

Happy = Productive

Strengths in emerging technologies

$670 million in tax reductions over the next four years.

We’re creating the LOWEST TAXING STATE in Australia for business.

Invest and grow with us in South Australia

We’re transforming our economic base by attracting new, innovative companies from around the world to key growth sectors in South Australia. We’re also working with investors to unlock their full potential.

There has never been a better time to do business in South Australia and here’s why:

> Increased profitability – Adelaide is the most cost competitive city in Australia to do business (KPMG)

> The fifth most liveable city in the world (The Economist, 2016)

> A stable, strategic Asia Pacific base, centrally located within Australia

> Strong financial governance and stable government

> An innovative and smart state, with close collaboration between government, industry and universities

> We want you – Investment Attraction South Australia will provide you with a tailored service to help you set up in South Australia.

We are proactive, future focussed and nimble. We are Australia’s complete investment package.
Investment Attraction South Australia is the peak agency for supporting investment into South Australia.

It’s our mandate to drive inward investments for South Australia that creates high value-adding industries and sustainable jobs.

We are the people to speak to if you are:
- establishing a presence in South Australia
- seeking joint venture opportunities
- growing an existing business in South Australia
- investing in South Australian businesses, or
- looking to raise project funding and capital.

We are looking for small, medium and large businesses, but importantly, we are looking for smart, creative businesses that live firmly in the future.

Together with our agency partners, we will work with you by offering:
- tailored support to meet your individual needs
- access to key decision-makers in both the public and private sectors
- speed of delivery
- a case management service to streamline establishment and approvals processes for foreign direct investment, and
- an ambitious red tape reduction program to make doing business as easy as possible.

How we can work with you
Let’s talk
In the first instance we want to understand your needs, so please contact:

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