

Public Record



Capital Solar Farm response to the Australian Industry response – 30/06/14

Dumping Investigation:

ADC 239 – PV Modules or panels being exported from China

Submitter Contact Details:

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Role of Party:

End User - Infigen Energy is an Australian developer, owner and operator of renewable generation assets with interests in 24 wind farms (1,646 MW equity interest) across Australia and the US.

Response:

In response to the Australian Industry response (published 24/06/14) to our submission published on the Anti-Dumping Commissions website on the 12 June 2014 Infigen Energy would like to make to following comments and clarifications.

1. Capital Solar Farm Pty Ltd is not a joint venture company. Capital Solar Farm is a wholly owned subsidiary of Infigen Energy as confirmed in **Attachment A - ASIC Company Details CAPITAL SOLAR FARM PTY LIMITED ACN 160 970 927 as at 2014-06-24**. Infigen has no current commercial arrangements with Suntech.
2. 72 cell modules are not currently being produced in Australia. In the application for dumping and/or countervailing duties, submitted by Tindo Manufacturing Pty Ltd (Tindo), the table on page 14 indicates that Tindo do not manufacture, nor have certification for the production of 300W 72 cell modules.
3. It is very difficult for Infigen Energy to comment further on the production rates achievable by Tindo if the revised information is kept confidential. For our initial delivery schedule estimates, we relied upon production rates detailed in section 4.8.1 of the Consideration Report and maintain that a substantially extended (and therefore commercially unworkable) delivery period would be required for Tindo to supply a large-scale project.
4. It is a fact that the longer the construction period, from the time of order placement through to practical completion, the higher the overall cost of the project. A non-exhaustive list of increased costs includes site overheads, security, insurance, wages, finance charges and land lease payments. Increased costs combined with delayed first generation through longer construction periods have a materially negative impact on project returns and may therefore be sufficient to render a project unviable. Should a project be able to proceed on that basis, it will incur a higher levelised cost of energy.

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5. Project financiers rely on a number of factors to assess the bankability of a module supplier. 'Bankability' relates to whether projects using solar products are likely to be offered non-recourse debt financing by financial institutions and includes key criterion that the module suppliers be tiered (1, 2 or 3), have a track record in delivering similar projects and have an acceptable operational history.

Bloomberg New Energy Finance provides a list of known bankable suppliers and their tiered rating system. This data is compiled based on financing deals previously closed and tracked by Bloomberg, including some 7,000 solar financings worldwide as of April 2014. A survey result list of the top 50 Bankable PV Module supplier's has been included in **CONFIDENTIAL Attachment B**. This list does not include Tindo. Infigen Energy reaffirms that, based on our experience and industry knowledge, a utility scale solar farm utilising Tindo modules would not attract suitable project finance.

6. Infigen Energy acknowledges and did not dispute that Tindo have IEC 61215, IEC 61730-1 or IEC 61730-2 certification. Our statement related to the certification of their quality systems and standards with relation to ISO9001 and ISO14001.
7. Infigen Energy apologises for the incorrect inclusion in our previous submission and acknowledge that the modules currently manufactured by Tindo are accredited by the CEC for installation in ground mount systems.
8. Infigen Energy do not dispute that the pricing structure that operates in the solar PV supply market is based on a price per watt basis. We do however note that comparing the price per watt of a 250W module to the price per watt of 310W module does not provide a fair or accurate price comparison, as acknowledged by the Australian Industry in their response.
9. Infigen Energy would like to clarify that at no point did we suggest that the Australian Industry could not manufacture 300W modules; we only referred to the fact that currently the Australian Industry is not producing modules above 250W and that Tindo does not have certified modules above 260W.

Conclusion:

Infigen Energy believe that, for the reasons stated above, the investigation into the dumping of Chinese manufactured PV modules should focus on the modules currently being manufactured in Australia for the domestic and small scale commercial market and not the larger 72 cell modules being imported for use in large scale utility projects.

The utility scale solar market in Australia is still in its infancy and we believe the introduction of any tariff will have a considerable detrimental effect on the development of the industry.

Infigen Energy request that if the Anti-Dumping Commission find that a tariff is to be introduced in Australia, it only be applied to modules that are currently manufactured in Australia and are reasonably available in appropriate volumes. Further, in consideration of any tariff, the Anti-Dumping Commission should consider the cost per watt pricing indicator as only comparable for modules of equal name plate rating expressed in watts.