

AGM Details

5:30pm Monday, November 25rd, 2024 (ZOOM)

Quorum reached: **80** members in total (for the duration of the meeting incl. 7 staff & board)

5:30 Meeting welcome and housekeeping

(TARYN LANE)

- Housekeeping
- Taryn Lane invited the Chair Graham White to open and present the formal proceedings

5:36 Meeting opened

(GRAHAM WHITE)

- Acknowledgement of traditional owners:
Our wind farm stands on the traditional lands of the Dja Dja Wurrung people, and I would like to acknowledge and pay my respect to elders both past and present on all the lands that our members are joining from.
- Acknowledged Hepburn Energy team - Directors: Mark Fogarty, David Perry, Alicia Webb, Sherrin Yeo, Hieu Nguyen and Graham White. Management Team: Taryn Lane (General Manager) and Carlena D'Arma (Community Officer), Management Accountant Phillip Brown and committee members John Franklin, Alexandra Wilson and Turlough Guerin.
- Acknowledged special guests joining the meeting: Prior directors: Norm McMurray, Michael Sneddon, Linda Hancock, Kathy Richardson, Stuart Read, Daniel Magasanik, Martin May, Paul Houghton, Koos Hulst, Mim Dineen. And co-op founder Per Bernard
- Members welcomed to the AGM for the 2023/24 Financial Year
- Quorum noted. 68 voting members noted as present at the time
- Agenda/timing was outlined - Apologies, Minutes of previous AGM, Special presentation, financial year presentation questions from members, housekeeping and closing remarks.
"Standing Orders as outlined in the rules apply to this meeting"
- Instructions were provided regarding questions to directors using the Q&A function.
 - *Questions may be posted at any time but they won't be answered until the question time later. Please note, that when you post a question, it will only be visible to other members once a panellist has answered it.*
- Members were notified that no vote for directors would occur as there were no external nominations. Both Graham White and David Perry were up for resignation and have renominated. Current directors, Sherrin Yeo, Alicia Webb and Hieu Nguyen nominated and automatically replaced existing board vacancies, and were welcomed to the board.
- Sherrin Yeo and Hieu Nguyen introduced themselves and a short introductory video from Alicia Webb (unable to be present at the AGM) was played.
- A Practice motion, including using the chat function and test poll was introduced. The test poll was run to ensure that attendees were able to use the poll function. There were 60 participants (excluding the 7 voting board & staff) in the test poll providing a baseline of 89% participation for future motions.

5:45 Formal Proceedings: Apologies & minutes of previous meeting

(GRAHAM WHITE)

Apologies

- Board apologies received - 1
- No. of apologies received - 22
- Members were asked for any other apologies: No further apologies were received
- Chair requested mover for the following motion:

"That the apologies be received."

Moved: Kathy Richardson**Seconded: Tass Mousaferiadis**

- Motion put to vote - "Carlena please launch the Poll"
- Motion carried: **100% passed (68 votes), 0% abstained, 0% opposed**

Minutes Previous Meeting

- Members were asked for any corrections needed for the 2022/23 AGM minutes and reminded to use the chat function for this purpose
 - No corrections were provided
 - A mover was called for the following motion:

"That the minutes of the annual general meeting held on 11 November 2023 be confirmed as a true and correct record of the meeting and be duly signed by the Chairperson."

Moved: Marie Lakey**Seconded: Per Bernard**

- Motion put to vote - "Carlena please launch the Poll"
- Motion carried: **87% passed (60 votes), 13% abstained (9 votes), 0% opposed**

5:50 Co-operative Presentation and Reports (Board)**Board and Financial Reports**

(TARYN LANE)

Presentation: Community battery project update

(GRAHAM WHITE)

Presentation: Annual financial report

(DAVID PERRY)

Presentation: Co-operative reports

(GRAHAM WHITE)

- A mover was called for the following motion:

"That the reports from the board and auditors on the affairs of the co-operative for the year ended 30 June 2024 be received."

Moved: Tass Mousaferiadis

Seconded: Ray Ison

- Motion put to vote
- Motion carried: **100% passed (72 votes), 0% abstained, 0% opposed**

Questions and Answers

(TARYN LANE)

- Taryn welcomed Phillip Brown, the cooperative's Management Accountant as available to answer accounting questions

BATTERY SIZE QUESTIONS

Name: Per Bernard

Question: Would the proposed battery size have been able to soak up the 12% of negative pricing events in last FY? And projected future negative pricing events?

Name: Marcus Barber

Question: If it is reasonable to assume an increase in negative pricing rates will extend beyond 13% as more solar and wind comes online, is there value in extending battery size beyond the 5mwh?

Name: Robin Gardner

Question: Would a larger battery, eg 7.5MWh, be even more financially attractive touch obviously would require more capital?

Answer: We have limitations on site. The big limitation on the cap is the federal government funding. The federal government funding was for a battery to be scaled at a minimum of 500kWh and a maximum of 5MWh. In order to successfully use the \$500,000 from the government we cannot go above 5MWh, however, we can add further batteries onsite behind the first battery going forward into the future. There is nothing to prevent us six months after

the project closes to be looking at future battery storage and we will also have the 10MWh planning permit that we can draw on in the future. We have limits but we can scale up in the future.

Name: John Franklin

Question: if the turbines were to be retired within the 15 year time frame, can we use arbitrage on the battery direct from the grid itself?

Answer: Subject to the grid connection agreement with Powercor and our ability to import and export, that is the idea. In the worst-case scenario, were our turbines cease to exist, but our lease would allow us to keep using our battery to trade. The grid connection would be set up to do so or improved in the future to enable us to do so.

Name: Noel Will

Question: What is the source of "other Income"?

Answer: That refers to interest. Interest on term deposits held as well as donations (we had several donations into the community fund) as well as windfarm tours. So all the other elements of income that we can receive.

Name: Noel Will

Question: What liquid assets do we have?

Answer: We have just over \$2.5 million cash on hand with the co-operative. With \$450,000 of that being the federal government grant, that we have been paid early to support the capital purchase of the battery. We do have some of the funds assigned, for example, a \$400,000 decommissioning fund is set-up in order to decommission the wind turbines at end of life.

Name: Peter Flanagan

Question: How has income gone for the five months post-balance date? Is the price up/down?

Answer: It's gone both ways. In July the all-in-price was very high, we had \$139 all-in. In August it dropped to \$88, in September to \$62 and in October to \$63. We normally see these depressions in Spring months in particular but they are quite significant drops.

Name: Rudi Van der Voort

Question: not sure if this a question for today. How much water would we talk about if instead of a battery we pump up water from a bore during low prices and then drop it back in the bore and generate hydro energy during times of expensive power prices. No idea how unrealistic this is. And have you looked into geo thermal possibilities on top of wind and solar power?

Answer: We haven't looked into pumped hydro. I know that ANU did a big map on pumped hydro potential across Australia and came up with many thousands of sites and I think there was one small site in the region that could be possible for pumped hydro. But not out at the windfarm site and we really want to maximise the infrastructure out on site including the grid connection that we \$1.6 million back in 2010.

Name: Andrew Morris

Question: Can you set up PPAs with Shire businesses or Local Govt and short circuit the wholesale market

Answer: We do have a customer Assemble which social housing provider and we use our retailer in order to access that customer. We have tried to work in the past to get our council to purchase our energy we unfortunately we were unsuccessful in a procurement exercise that they ran last year. We are trialling out small to medium-enterprise product at the moment. We can take small-scale customers.

Name: Linda Hancock

Question: Financials show year on year losses. Has the Board sought advice on the current financial return to members on the market price for the sale of HE assets at about the mid-point of planned life of the wind farm?

Answer: We haven't sought sale price for the Hepburn Energy assets but we do have to do a calculation of value as part of our insurance process every year. Vestas help us to determine that value and then that is provided to our insurance provider. But we would need specialised external advice for that.

Name: Daniel Caffrey

Question: What will the direction of the HWF be once Mt Alexander Shire is 100% Net Zero?

Answer: I think you're thinking of Hepburn Shire Council. We are located in Hepburn Shire Council, our neighbouring shire is Mount Alexander Council. We are very focused on net-zero energy at the moment, in particular looking at electrification and future generation. We have also been supporting a bunch of other programs including Climate Change Adaptation, Circular Economy, reducing emissions more broadly across the farming sector and education. There's so much more work to be done. The big ticket items are definitely electrification at the moment for us. There is definitely enough work ahead for the lifespan of the wind farm.

Name: Guy de Vanny

Question: How likely is it that you will seek member financial support (debentures etc) ?

Answer: If we can get the financing over the line, I know that for the financiers that we are in discussions with at the moment, it is important to them that the offer is opened up fairly to members as well. Even though we need bigger investors to get the project underwritten and over the line we would then open up that option to members if they want to participate. If we get financing over the line we would definitely open up for member debentures.

6:37 Housekeeping**Remuneration of Directors**

(GRAHAM WHITE)

- The board recommended directors receive remuneration for their services as directors for the coming year (remuneration goes to travel expenses etc)
- A mover was called for the following motion:

"That directors may receive up to \$500 per director for remuneration for their expenses as a director for the coming year."

Moved: Colin Lambie**Seconded: Robin Gardner**

- Motion put to vote
- Motion carried: **96% passed (68 votes), 3% abstained (2 votes), 1% Opposed (1 vote)**

Closing remarks

- Thank you to:
 - Directors, Taryn, Carlena
 - Ron and Nathalie Liversidge
 - Flow Power
 - Bendigo and Adelaide Bank
 - Vestas
 - DNV GL
 - O'Briens
 - Hepburn Shire Council
 - CountPro - in particular Phillip Brown and Daryl Tauschke who have provided us with fantastic and robust management accounting support for many years.
 - Latitude
 - Our additional subcommittee members: John Franklin and Turlough Guerin and Alexandra Wilson
 - and of course our members
- The chair sent well wishes and declared no further business
- The meeting closed.

6:41 Meeting Close