

HERBERT SMITH FREEHILLS ADVISES SYNERGY ON ITS BRIGHT ENERGY INVESTMENTS JOINT VENTURE WITH DIF AND CBUS

13 April 2018 | Australia, Asia Pacific
News

Herbert Smith Freehills has advised Synergy on its joint venture with DIF and CBUS to form 'Bright Energy Investments', which will build up to 210MW of large-scale renewable energy projects in the South West Interconnected System (**SWIS**) in Western Australia.

The joint venture will ensure that Synergy meets its Large-Scale-Renewable Energy Target (**LRET**) obligations by 2020.

'Bright Energy Investments' will commence its development pipeline by constructing Stage Two of the Greenough River Solar Farm (**GRSF2**), and refurbishing the existing Albany Grasmere Wind Farm. Bright Energy Investments also holds development rights for the Warradarge Wind Farm and will now commence preparatory work for the project.

The Herbert Smith Freehills team was led by Partner [Simon Reed](#) and Senior Associate Geoff Kerrigan on the joint venture arrangements. Partner [Andrew McLean](#), working with Senior Associate Owen Alcorn and Solicitor Rachael Le Tessier, led the project financing of GRSF2. Partner [Dan Zador](#) and Senior Associates Michael D'Agostino and Maja La Rosa led on the construction and offtake arrangements.

Andrew McLean said: "It was a significant undertaking to pull the joint venture together at the same time as finance for the seed assets was arranged and the contracts for construction and operation of GRSF2 were negotiated. However, the credit quality of Synergy as purchaser of the electricity and renewable energy certificates generated by the joint venture assets made it an attractive proposition for financiers."

Dan Zador observed that the transaction “capitalised on the market momentum from renewable energy development in the National Electricity Market, but was also tailored to the unique characteristics of the SWIS”, which delivers power to a significant portion of the WA population, and where Synergy is the largest generator and retailer.

Macquarie Capital were financial advisors to Synergy, and Deloitte provided tax and accounting support. DIF was represented by King & Wood Mallesons and Ironstone Capital, while CBUS was advised by Clifford Chance and Tetris Capital. The financiers were represented by Gilbert + Tobin.

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