



# HERBERT SMITH FREEHILLS ADVISES TOTAL EREN ON THE LARGEST SOLAR FARM TO ACHIEVE FINANCIAL CLOSE IN VICTORIA

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News

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Herbert Smith Freehills has advised Total Eren on the equity sell-down, project financing and construction of Stage 1 of the Kiamal Solar Farm, located in Ouyen, approximately 100km south of Mildura, Victoria and with a generation capacity of 200MWac.

Once completed, Stage 1 of the Kiamal Solar Farm will be the largest solar farm in Victoria. Stage 1 will also form part of the larger planned 350MWac Kiamal Solar Farm project, which will consist of battery storage and a further solar installation.

Kiamal Solar Farm has entered into separate power purchase agreements with four customers for the offtake of Stage 1 of the project, and a Large-Scale Generation Certificates (LGCs) or 'renewable energy certificate' purchase agreement. Total Eren resolved system strength issues in the north-western Victorian network which would have affected connection of the Kiamal Solar Farm by investing in a large synchronous condenser. As a first in the market, the synchronous condenser forms a key part of the unique and complex project financing arrangements for the project.

The equity sell-down of part of the equity in Kiamal Solar Farm to the Clean Energy Finance Corporation (CEFC) was completed in May 2019. This was followed by the project reaching financial close with its financiers, ANZ, ING and Natixis, on 3 June 2019.

The Herbert Smith Freehills cross-practice team was led by finance partners [Gerard Pike](#) and [Jon Evans](#), corporate partner [Peter Davis](#), projects partner [Alison Dodd](#), senior associates Nadine Kilpatrick, David Ong, Sebastian Renato and Ellen Tarasenko, solicitors Josh Attard, Rachel Oldham, Melisa Chan, Olivia Mitchell, Michael Trent and Ellen Gandy.

KWM advised CEFC in relation to its equity investment and the lenders in relation to the project financing.

In respect of the project financing, Mr Evans said, “We are delighted to have assisted Total Eren with the project financing for Stage 1 of Kiamal Solar Farm as their first project in Australia.”

“This has been a particularly unique and exciting transaction in the context of the current renewables landscape in Victoria and Australia. This is a significant milestone for Total Eren and we are pleased to have advised on the power purchase agreements and the complex financing arrangements, which extend to the construction and maintenance of the synchronous condenser.”

In respect of the equity sell down, Mr Davis said, “The success of this project demonstrates the value of Total Eren’s innovative approach and commitment to overcoming the challenges facing renewables projects in the current environment.”

“We have relished the opportunity to assist Total Eren in bringing CEFC into the project and congratulate them on the collaborative approach that has been so important in achieving this tremendous milestone.”

This deal is another example of Herbert Smith Freehills’ market-leading work advising on the equity and financing arrangements of major renewables projects, including recently advising in relation to the Haughton Solar Farm, Brigalow Solar Farm, Dundonnell Wind Farm and Cattle Hill Wind Farm.