



MTA Energy

AER RETAILER AUTHORISATION

APPLICATION

22 July 2019

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TABLE OF CONTENTS

INTRODUCTION	2
1. GENERAL PARTICULARS	3
1.1 Legal Name of Applicant	
1.2 ABN	
1.3 Registered business address and address for correspondence	
1.4 Nominated contact person	
1.5 Form of energy for which retailer authorisation is sought	
1.6 Date to commence retail operations	
1.7 Nature and scope of operations	
1.8 Jurisdictions intended for retailing	
1.9 Type of customers	
1.10 Former licences held in this and or other jurisdictions	
1.11 Previous unsuccessful licence applications	
1.12 Licences held by associates of the applicant	
1.13 Licence conditions	
2. ORGANISATIONAL & TECHNICAL CAPACITY.....	5
2.1 Previous experience as an energy retailer	
2.2 Energy market experience	
2.3 Organisational Structure	
2.4 Employees	
2.5 Directors and Secretary	
2.6 Executive team	
2.7 External skills and functions	
2.8 Business Plan	
2.9 Compliance Strategy	
2.10 Skill and/or knowledge gaps	
2.11 Risk Management	
2.12 Additional information in relation to risk management	
2.13 Steps taken to obtain membership of relevant energy industry ombudsman schemes	
2.14 Third party providers and arrangements with relevant market participants	
3. FINANCIAL CAPACITY	13
3.1 Related companies' structure	
3.2 Current financial position – parent company support	
3.3 Financial reports	
3.4 Written declarations	
3.5 Arrangements for access to additional capital	
3.6 Bank guarantees	
3.7 Forecast revenue and expenditure	
4. SUITABILITY CRITERION	15
4.1 Applicants declaration	
4.2 Material failures, revocation of authorisations and legal actions	
4.3 Legal Actions	
4.4 Names and addresses of key officers	
4.5 Policies and procedures addressing the probity and competence of officers and other key management staff	
5. APPENDICES	16

INTRODUCTION

About MTA Energy

MTA's vision and objective is to be a recognised and valued long-term energy partner to select clients in the commercial and industrial sectors in the Australian energy market, by providing integrated energy services directly focussed on client energy cost reduction. Our mission is to develop and deliver innovative solutions and services (both technology and commercially innovative) that reduce the overall energy costs for our customers over the long-term and provide our customers with greater certainty and control of those energy costs.

The energy sector in Australia is undergoing significant disruption driven by several convergent forces.

1. Increasing cost competitiveness of renewable and distributed energy supply technologies coupled with demand side management technologies.
2. Decreasing energy consumption and increasing volatility in demand, driven by de-industrialisation, rooftop solar/renewable generation and increased energy efficient equipment (e.g. LED lights).
3. Customer price sensitivity leading to active interest in energy saving actions and technologies.
4. Increased Customer visibility and control of consumption by leveraging the benefits of internet connected devices (IoT) and cloud services.

MTA Energy has been established to capitalise on these trends in the market place and present a forward-looking solution for businesses operating primarily in the under-served medium sized commercial/industrial sector.

MTA Energy will initially serve customers in the NSW market (with a focus on the greater Sydney region), with plans to expand operations to all other markets in the National Electricity market over the five-year period as led by customer requirements.

Our intention is to be able to provide to clients a single fully integrated service which combines Energy Efficiency Technologies (including load control, monitoring and reporting via IoT), with Distributed Energy Resource Technologies (Solar PV & Storage) further coupled with an 'in front of meter' Retail solution. This "wrapping" as an integrated solution of multiple elements of a client's requirement (normally source separately), coupled with direct access to experienced energy sector advisory and technical services of MTA enables customers to rapidly reduce their current electricity costs and then establish energy management strategies in a significantly costs reduced and stabilised environment.

1. GENERAL PARTICULARS

1.1 Legal Name of Applicant

MTA Energy Pty Ltd

1.2 ABN

The ABN for MTA Energy Pty Ltd is 41 622 895 274.

1.3 Registered business address and address for correspondence

Suite 103, 349 Pacific Highway North Sydney, NSW 2060

1.4 Nominated contact person

Name: Gareth Mann
Position: Managing Director
Phone: 02 8362 1312
Email: gmann@mtaenergy.com

1.5 Form of energy for which retailer authorisation is sought

Electricity

1.6 Date to commence retail operations

Subject to obtaining a retailer authorisation, MTA Energy intends to commence offering retail services for electricity on or around 1 September 2019.

1.7 Nature and scope of operations

MTA Energy is an integrated energy services and energy supply company, focussed on the medium sized Commercial/Industrial sector. Our intention is to be able to provide to clients a single integrated service which combines Energy Efficiency Technologies (including load control, monitoring and reporting via IoT devices), with Distributed Energy Resource Technologies (Solar PV & Storage) coupled with an "in front of meter" Retail solution. This "wrapping" of multiple elements of existing client's requirements, coupled with direct access to experienced energy sector advisory services enables customers to rapidly reduce their current electricity costs and then establish energy management strategies in a significantly reduced and stabilised environment.

Through the development of customer based Distributed Energy Resource networks (across multiple sites) incorporating demand management, solar generation and batteries, MTA will be able to provide its future customers with renewable energy, at a lower price and with high levels of price predictability. This approach coupled with the emerging need for substantial Distributed Energy Resources and Demand Management capability to provide Dispatchable Energy Capacity to the NEM provides MTA with multiple avenues to develop cost reduction strategies for its customers. A retailer authorisation will allow MTA Energy to co-ordinate client consumption and generation across multiple sites and implement smarter ways of generating, purchasing and managing electricity for its customers.

MTA Energy is seeking a retail authorisation to enable its clients to take full advantage of embedded energy generation capability, energy efficiency measures and demand management technologies across multiple client sites.

For more details regarding MTA Energy's business model, please refer to **MTA Energy's Business Plan** at **Appendix A**, (provided on a commercial in confidence basis).

1.8 Jurisdictions intended for retailing

MTA Energy intends to retail electricity in all Australian jurisdictions in the National Electricity Market (**NEM**) being: Queensland, New South Wales, Australian Capital Territory, Victoria, South Australia and Tasmania.

MTA Energy intends to initially concentrate its electricity retailing activities in NSW, driven by strong interest in its proposed extended service model from existing customers.

1.9 Type of customers

MTA Energy intends to sell electricity to commercial and industrial customers who would be considered a Large Customer under the NERR definition.

1.10 Former licences held in this and or other jurisdictions

MTA Energy has not previously held a retailer authorisation in any jurisdiction in Australia or overseas.

1.11 Previous unsuccessful licence applications

MTA Energy has not previously had any unsuccessful licence applications in Australia or overseas.

1.12 Licences held by associates of the applicant

No associates of MTA Energy have held a Retailer Authorisation in any Australian jurisdiction.

1.13 Licence conditions

MTA Energy does not seek any non-standard licence conditions.

2. ORGANISATIONAL & TECHNICAL CAPACITY

2.1 Previous experience as an energy retailer

MTA Energy does not have previous experience as an energy retailer, however its management has extensive experience in the development, financing, construction and operations of electricity generation and distribution infrastructure on a national and international basis. This experience is strengthened by directors and senior management who have direct retail experience in the Australian National Energy Market (NEM). This energy sector experience is further balanced by the strategic client focus of MTA, which is not intended to be residential retail, but focussed on multi-site, integrated electricity supply, Distributed Energy Resource (DER) and Demand Side Management solutions for industrial /commercial clients.

MTA Energy's Board and senior executives have a very broad array of skills and experience, specifically in the energy sector both internationally and domestically. Mr. Gareth Mann, MTA's Managing Director, in addition to his power generation technical and development expertise has direct experience with the industrial sector and the industrial clients the business is targeting. Mr. Mann was the Chief Executive of Transfield Services Resources and Industrial division prior to taking the position as Chief Executive Officer of joint venture company Transfield Worley Power Services in 2012. TWPS is the largest independent operator and maintainer of power generation installations of all technology types in Australia. Prior to leaving TWPS in 2018 Mr. Mann had grown the business significantly with Operating and Maintenance contracts totalling more than 12,000 MW of capacity across 32 sites in Australia and New Zealand.

MTA's Head of Risk and Markets, Mr. James Groombridge has significant direct experience in the Australian Energy Retail market from his past experience with Australian Power & Gas and Mojo Power. At both these companies Mr. Groombridge managed significant portfolios of supply and hedge contracts totalling more than \$300million.

In addition to this direct electricity retail market experience Mr. Edwin Burwood, MTA Operations Director, has extensive experience in the integrated delivery of energy efficiency and carbon reduction technologies, including generation of carbon credits (ESCI, STC & LGCs etc) via his position as CEO and Engineering Director for Carbon and Energy Solutions, a leading provider of these services across Australia.

Then complimenting this executive capability the Board of MTA has collectively, extensive experience in management and governance of start-up companies as well as major ASX listed entities.

MTA Energy's senior executives have considerable hands-on operational experience and existing customer relationships relevant to our chosen market sector. MTA Energy has deep experience with managing technology solutions, service, financial and credit risk with customers in the energy sector, which MTA Energy intends to leverage to drive the growth of a new electricity retail business focussed on cost reductions for customers.

MTA Energy has developed its Business Code of Conduct, customer strategy, risk management, compliance, quality and assurance systems and processes which, when combined with support (as required) from specialist external service providers will support the retail operations of MTA Energy.

2.2 Energy market experience

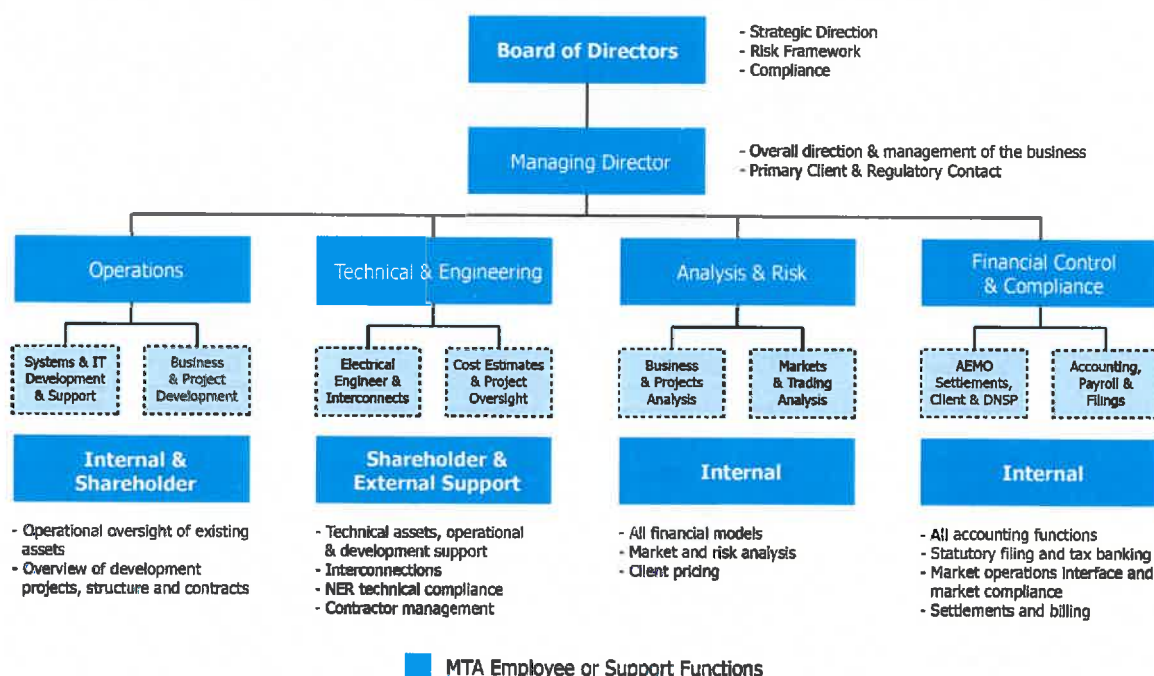
MTA Energy has a well-credentialed board of directors and executive team, specifically experienced in the energy sector in strategic planning, governance, business development, asset construction, operations and policy management.

A summary of qualifications, technical skills and experience of Directors & personnel relevant to meeting the requirements of the retailer authorisation, are detailed in Section 2.5.

2.3 Organisational Structure

The organisation chart at **Appendix B** (provided on a commercial in confidence basis) provides an overview of MTA Energy's organisational structure, personnel and shareholder resources which support the operations of MTA Energy.

The next diagram outlines the current functional structure for the business.



The Managing Director and Board of MTA Energy are responsible for the corporate strategy, corporate governance, standards of conduct and Compliance across the MTA Energy business.

The key operational areas of the MTA Energy that will support the day-to-day operations of MTA Energy include:

- **Operations** – Existing Projects, Energy Monitoring and Control Systems (IoT) plus New Solar Power development, Energy Storage and project management, including metering provider services; and
- **Technical & Engineering** – Development of technical solutions and pricing to support existing and new business opportunities, NER compliance and Contractor Management
- **Analysis and Risk** – Existing and new customer financial models, MTA Financial Business plan model, Risk and Market Analysis
- **Financial Control & Compliance** – Business accounting and reporting, billing, settlements and compliance services.
- In addition, MTA Energy will also receive day-to-day support from the Legal & Regulatory, Information Technology & Office Administration and Finance support functions of its Shareholders.

2.4 Employees

MTA Energy's Business Plan by its nature, allows for controlled expansion of the business as projects are developed specific to client needs and subsequently calls for a limited number of additional staff to manage project development, operations and financial compliance and reporting. In the early stages, MTA Energy will draw upon its Directors and shareholder companies to manage and operate the energy retail business.

The following table details the employees and support services of MTA Energy that will be involved in the retail operations of MTA Energy and indicates the business functions and company officers who are responsible for those functions within the business.

Business Function	Responsible Officer	Support	MTA Source
Strategy & Development	Gareth Mann	Board	Internal
Operations	Edwin Burwood	MTA	Internal
Engineering	Roshan Shrestha	MTA/Shareholder	Shareholder
Risk and Analysis	James Groombridge	MTA	Internal
IT and Systems	Outsourced	Consultant	Outsourced
Finance & Control	Glenn Cosgrave	BatesCosgrave	Outsourced/Internal
Legal, Regulatory & Company Secretarial	Gareth Mann	HWL - Ebsworth	Outsourced

Summaries of the qualifications, technical skills and experience of the key individuals within the MTA Energy who will be involved in the business are outlined below.

2.5 Directors

The Board of Directors of MTA Energy are responsible for governance, leadership, strategic direction and standards of conduct for MTA Energy.

MTA Energy management has extensive experience in ASX listed companies and as such are well experienced in systems of internal control and risk management. A brief overview of their experience is summarised below.

2.5.1 Mr Gareth Mann – Managing Director

B.E. (Mech) Sydney University 1981,
MIE Aust - 1986
Dip AICD – 2009

A highly experienced CEO/MD with extensive international energy sector experience leading de-regulated market development, project development, financing, engineering, operations and asset management of complex, large scale, power, energy and infrastructure projects.

Gareth has strong management and team building skills and a demonstrated successful track record of growth and delivery from both an investor and contractor perspective.

Roles which are directly relevant to MTA's retail application are:

MTA Advisory Pty Ltd – Managing Director

MTA Advisory focuses on leveraging the deep sector expertise of its principals in delivering practical, experienced based advisory services to clients in the power generation and energy sectors. Advisory services range from due diligence support, project development support, independent technical reviews through the asset life to improved implementation of asset management strategies.

TW Power Services Pty Ltd – CEO

TWPS is a joint venture company held 50/50 by Broadspectrum and WorleyParsons. It is the largest independent power station Operations and Asset Services company in Australia & New Zealand, with more than 12000 MW of capacity under long-term contract for operations, maintenance and/or outages across 35 sites in Australia. This extensive contract base covers all major generation technologies, from large coal fired plant through utility scale gas turbines, wind, hydro, cogeneration and distributed/embedded generation.

Transfield Services Ltd – CEO, Resources and Energy Division ANZ

Full operational responsibility for Transfield Services activities in the above sectors in Australia and New Zealand.

PSEG GLOBAL INC, New Jersey USA – Snr VP Europe, Africa, Middle East, India

PSEG Global Inc. is the unregulated subsidiary of the Public Service Enterprise Group (NYSE: PEG), headquartered in New Jersey with total power sector assets of \$28.6 billion and revenues of US\$12.2 billion. PSEG Global as subsidiary owned and operated domestic and international power generation plants and distribution systems with total assets exceeding US\$3.7 billion.

DESTEC ENERGY INC, Houston, Texas, USA – VP International Development

Destec Energy Inc (NYSE: ENG), was a subsidiary of The DOW Chemical Company and one of the largest early non-utility generators and marketers of electricity in the United States.

2.5.2 Edwin Burwood – MTA Operations Director

B.E. (Chemical) Hons Class II Div1– University of Newcastle, 1998
CMVP - 2015
MAICD – 2014

Mr. Burwood is a senior executive with more than 17 years of diverse business and energy sector specific experience. He is a NSW State "Office of the Environment" Lead Auditor on the "Energy Saver Panel" as well as a Certified Measurement & Verification Professional (CMVP).

Energy & Carbon Pty Ltd. – CEO and Engineering Director

Energy & Carbon Solution is a unique Engineering Group specializing in the delivery of Energy Efficient projects for industrial sites. Founded in 2011, Energy & Carbon Solutions has delivered over 400 energy efficiency projects in several different areas inclusive of:

- Energy Efficient Lighting
- Air Compressors
- Blowers
- Solar PV
- Power Factor Correction
- Biogas to Co-Generation Projects
- Heat Recovery and Energy Conversion
- Measurement & Verification of Projects

Since inception, Energy & Carbon Solutions has delivered over 40,000 high bay lights into Industry using both LED and Induction technologies. In 2012, E&C delivered the first award winning project with Austcor Packaging winning an OEH "Energy Saver" award for our lighting and air compressor work.

2.5.3 Mr James Groombridge – MTA Head of Analysis and Risk

BA (Hons) Business Management and Marketing – University of Gloucestershire (UK) 2009

AFMA Financial Markets Core with Electricity Financial Markets, 2013
Chartered Institute of Securities and Investments – Diploma 2019

Mr James Groombridge joined MTA in September 2018 and brings a depth of experience in the energy markets and managing electricity derivative portfolios for energy retailers both in the UK and Australia.

Within Australia he has managed a \$300m electricity derivative portfolios for Australian Power and Gas ("APG") prior to it being acquired by AGL and in more recent times held the role of Head of Wholesale at Mojo Power a role that came with the added responsibility of being a "Responsible Manager" under Mojo's AFSL obligations.

In-between APG and Mojo Mr. Groombridge worked for a boutique Private Equity firm whose portfolio of businesses included both small energy retailers and large-scale renewable energy assets.

Having departed Mojo in 2017, Mr. Groombridge provided independent consultancy services to a wide array of clients, which included large renewable energy asset owners, start-up energy retailers and large industrials. The advice provided covered the following areas;

- Overall energy market analytics
- Hedging strategy development and implementation
- Risk identification, mitigation and on-going management
- Portfolio construction and optimisation
- Load and demand forecasting techniques

2.6 Executive team

Under the leadership of the Managing Director, Mr Gareth Mann, the executive team is responsible for managing company operations and implementing the business strategy of MTA Energy, including the day-to-day operations of MTA Energy.

Please refer to **Appendix C – Key Officers Experience** (provided on a commercial in confidence basis).

2.7 External skills and functions

MTA Energy will be drawing on external skills and functions where required. MTA Energy will operate with the following functions outsourced or combination of internal resources, shareholder resources or external as appropriate.

- Meter readings, meter data processing: – Site & Region specific
- IT support: As required
- Detailed system design – Energy & Carbon Solutions Pty Ltd
- Interconnect design – Energy & Carbon Solutions Pty Ltd

In addition to the individual project external providers, MTA has a strategic agreement with Simble Solutions Limited (ASX – SIS) which is an Australian company providing SaaS and IoT solutions to the energy sector. MTA will utilise the SimbleSense platform for customer Energy Monitoring and Control as an integral component of its business strategy. Details of Energy & Carbon Solutions Pty Ltd and Simble Solutions Limited are contained in Appendix D.

2.8 Business Plan

MTA Energy's Business Plan is attached at **Appendix A** (provided on a commercial in confidence basis).

The Business Plan includes, but is not limited to, MTA Energy's strategic direction objectives, forecast results and detailed assumptions.

The Business Plan addresses the following:

- The market and customer segments that MTA Energy will operate in;
- MTA Energy business model for retailing energy;
- MTA Energy operational forecasts and detailed assumptions; and
- MTA Energy's risk management framework.

The core of MTA Energy's Business Plan is to provide integrated energy services and energy supply to large non-residential customers with multiple generation and consumption sites within the NEM. To enable the business model, MTA Energy intends to be a market participant and retail to the customers sites.

2.9 Compliance Strategy

MTA Energy understands that electricity is an essential service. Retailing of such services is subject to various and wide-ranging legislative and regulatory instruments, and an industry framework that ensures efficient and effective market operations and management including reliable, open access to all end users.

MTA Energy will draw on the industry experience of internal resources and external advisors, including HWL Ebsworth and its shareholder businesses to meet all the applicable retailer authorisation obligations and statutory, industry and technical requirements.

2.9.1 Knowledge and understanding of obligations

MTA Energy understands the obligations imposed on authorised retailers under the Retail Law and Retail Rules and applicable statutory, industry and technical requirements of the jurisdictions in which we intend to operate. The approach to these obligations is outlined in the Compliance Plan & Compliance Register, attached at **Appendix E** (provided on a commercial in confidence basis). This Compliance Plan & Register forms part of MTA Energy's compliance framework and supports MTA Energy to manage compliance risks and ensure obligations are met. MTA

Energy is mindful of the current regulatory review being undertaken, particularly with respect to embedded networks. If, as a result of the regulatory review, there are changes to requirements MTA Energy (in consultation with its established network of legal and subject matter expert consultants) will do everything necessary to ensure continuing compliance.

2.9.2 Meeting compliance obligations

As MTA Energy is a recent business start-up, one of our initial priorities has been to identify the quality assurance and standards accreditations that are required and to develop work streams to implement them. MTA Energy is committed to meeting its compliance obligations and implementing Compliance Policies and Procedures appropriate to the business structure and client base. In addition, MTA Energy will leverage off the experience gained by the Directors of MTA Energy and shareholder businesses gained within ASX listed company compliance frameworks.

MTA Energy will put in place a Compliance Committee (comprised of internal and external resources) which will address both regulatory compliance obligations and more routine business operational compliance. MTA will utilise the services of HWL Ebsworth and Bates-Cosgrave to support its compliance management program. HWL Ebsworth provides both online and offline compliance management services. HWL Ebsworth has the experience and technical capacity and tools to assist MTA Energy to meet its regulatory obligations. Bates-Cosgrave will provide the support for the business tax and corporate compliance obligations.

Refer to **Appendix D** (provided on a commercial in confidence basis) for HWL Ebsworth's and Bates-Cosgrave credentials.

2.9.3 Corporate governance

MTA Energy has compliance monitoring and obligations procedures that are governed by the Board of Directors in its responsibilities relating to accounting and reporting practices, corporate risk assessment and the internal controls of MTA Energy, so as to ensure that the company fulfils its statutory and fiduciary responsibilities.

The Board of MTA consists of a number industry experienced Directors and is outlined in (**Appendix C**, provided on a commercial in confidence basis).

2.9.4 Retailer Authorisation obligations

MTA Energy has developed a Compliance Plan and Register to address specifically the obligations as a market participant (attached at **Appendix E**, provided on a commercial in confidence basis).

2.9.5 Complaint and dispute resolution procedures

MTA Energy understands its obligation to ensure complaints and disputes are dealt with in a timely and compliant manner relevant to its target customer type. To ensure disputes are dealt with effectively MTA Energy has developed standardised Dispute Resolution processes within its contracts, which allow for independent arbitration in the event senior representatives of the parties cannot reach resolution.

In addition to the contractual dispute resolution mechanisms, MTA will join the appropriate ombudsman scheme in each jurisdiction as projects arise. In the initial case this will be the Energy and Water Ombudsman NSW.

2.10 Skill and/or knowledge gaps

MTA Energy has access to the required expertise and capacity to meet its initial retail business needs. As the business grows, resource needs will be evaluated and when necessary, MTA Energy will draw on experienced third-party providers and/or recruit the necessary skills to ensure licence obligations and customer expectations are met.

Training will be undertaken to provide for existing employees and as part of the employee induction process for new employees, to ensure currency of skills (or certifications) applicable to specific roles are maintained. A training register will be used as an internal monitoring and reporting tool to ensure that all required training has been undertaken.

Additional training will be implemented where specific deficiencies in knowledge or skills are identified via internal review and monitoring processes.

2.11 Risk Management

MTA Energy has adopted the MTA Energy Risk Management Policy which defines the process flow to implement risk management strategies across all organisational activities consistent with AS/NZS ISO 31000: 2009 (Risk Management). Amanzi Consulting Energy Advisory Services Pty Ltd has undertaken an independent review of the Risk Management Plan & Risk Register (attached at **Appendix F(i)**, provided on a commercial in confidence basis).

The MTA Energy Risk Strategy which flows from the Risk Policy and Register and implements the high-risk elements of the business identified in the Risk Register, encompasses Health and Safety; Environment; Community & Reputation; Legal and Compliance; Financial and Commercial (attached at **Appendix F(ii)**, provided on a commercial in confidence basis).

2.12 Additional Risk Management Information

2.12.1 Retail contracts

MTA Energy has worked with HWL Ebsworth to develop an Electricity Supply Agreement and supporting documents to ensure that the long-term interests of its consumers have been considered and understood (the MTA Energy Electricity Supply Agreement Terms are attached at **Appendix G**, (provided on a commercial in confidence basis).

2.12.2 Insurance

A key risk mitigation is to ensure appropriate insurance coverage is in place for MTA Energy Limited and its subsidiaries. Insurances are managed by the Managing Director and include at implementation:

- Workers compensation
- Professional indemnity
- Directors and Officers liability insurance
- Public liability insurance
- Product liability
- Business assets insurance
- Business Interruption (fire, loss of premises, systems etc)
- Customer Credit Insurance
- Keyman insurance (officers)

Certificates of currency can be provided on request.

2.12.3 Privacy Policy

MTA Energy has developed a Privacy Policy with which MTA Energy will comply with to ensure any personal information gathered by the business is handled correctly (attached at **Appendix H**).

2.13 Steps taken to obtain membership of relevant energy industry ombudsman schemes

MTA Energy will initially focus on NSW markets. MTA Energy has contacted the Energy and Water Ombudsman NSW and advised them of its intention to submit membership applications in the event its retail authorisation application to the AER is successful. MTA Energy will register with the Ombudsmen for each particular jurisdiction, prior to commencing operations within those states.

2.14 Third party providers and arrangements with relevant market participants

MTA is preparing its application to the Australian Energy Market Operator (AEMO) and expects to apply to AEMO for registration as a Market Participant under the National Electricity Rules shortly following this AER application. MTA Energy will be a Financially Responsible Market Participant (**FRMP**) for any NMI meter covered by the agreement.

MTA Energy's business model is low risk compared to general electricity retail businesses offering fixed rate tariffs to customers which then expose the retailer singularly to wholesale electricity market risk. However, in the event of MTA Energy being unable to continue because of business failure, the RoLR protections are acknowledged as applicable.

3. FINANCIAL CAPACITY

3.1 Related companies' structure

Details of MTA Energy's ownership structure and major shareholders are provided in **Appendix I** (provided on a commercial in confidence basis).

3.2 Current financial position – shareholder support

MTA Energy has sufficient cash resources and financial facilities to settle our expected obligations for the initial identified projects in the 24 months from 1 July 2019. On this basis, MTA Energy is considered to be a "Going Concern".

It is acknowledged in the Business Plan (**Appendix A**, provided on a commercial in confidence basis) that additional funds may be required in order to grow the business beyond 24 months in accordance with the desired Business Plan. However, because each project is structured primarily as a self-contained structure the funding elements are also linked to each project step.

The requirement for funding can be considered in two distinct categories;

- A. MTA Business Operations funding**, which consists of managing daily regulatory obligations, existing customer billing, employee obligations and cashflow as an ongoing business and;
- B. MTA Infrastructure funding**, which is the debt and equity committed to the infrastructure elements such as Solar PV and Storage components of the business.

As each new customer/project is established the MTA Business Operations funding increase, that specifically relates to the new customer, are identified and commercially structured in cooperation with the customer. When the project enters operations the support for those Category A funding obligations are implemented as part of the project "go-live" and enter into routine Business Operations cashflows.

The MTA Infrastructure funding is a larger component, but establishment of the customer project and its supporting debt/equity agreements need to be in place in advance of any MTA Electricity Supply Agreement coming into force with a specific customer. Additionally, the projects are structured as "de-risked" Infrastructure style projects underpinned by customer offtakes and established equipment suppliers. Because of this approach, significant financial resources exist from the general finance and funds industries both locally and internationally for this style of investment.

As a consequence of this structured approach to growth and the sequencing of the customer developments, MTA Directors believe adequate additional funding from debt or equity will be available to support the Business Plan.

3.3 Financial reports

MTA Energy is a recently created company and has not commenced business trading activities as a Retailer. Its activities have been focussed on development and support for the initial projects and preparation for submission of this application. Its financial reports for FY18 are attached in **Appendix J** (provided on a commercial in confidence basis).

3.4 Written declarations

Written declarations regarding MTA Energy's financial resources are included in this application as follows:

- MTA Energy's Managing Director and Chief Executive Officer confirming that MTA Energy is a going concern with no known impediments to its ability to operate as an electricity retailer – **Appendix K** (provided on a commercial in confidence basis).
- Independent auditor confirming that no insolvency action has occurred in respect to MTA Energy and that they are unaware of any other factor that would impede MTA Energy's ability to finance its energy retail activities under the authorisation – **Appendix J**. (provided on a commercial in confidence basis).

3.5 Arrangements for access to additional capital

MTA Energy, its directors and shareholders have been successful in funding new projects through a combination of borrowings, Government grants and equity from new and existing shareholders.

MTA Energy is in discussions with a number of asset finance and leasing companies to provide facilities to fund the proposed infrastructure elements of Solar and/or Storage projects.

MTA Energy will utilise its access to new equity and finance facilities as and when necessary to support the ongoing activities of MTA Energy.

3.6 Bank guarantees

MTA Energy is aware of the requirement for energy retailers operating outside of embedded networks to provide bank guarantees to the network distribution companies and AEMO for credit support and prudential requirements.

MTA Energy has agreements with, clients and equity and has structured its commercial arrangements, such that, prior to market entry, MTA Energy will ensure all required financial guarantees are secured and provided to meet the AEMO requirement and as appropriate trading counterparties.

MTA Energy and its shareholders has established relationships with banking and financial institutions and is confident that any required bank guarantees can be secured for MTA Energy in the future.

3.7 Forecast revenue and expenditure

Forecast revenue and expenses are detailed in the Business Plan at **Appendix A** (provided on a commercial in confidence basis). This forecast is consistent with MTA Energy's business plan and includes all key assumptions and risks.

4. SUITABILITY CRITERION

4.1 Applicants declaration

Signed declarations regarding the suitability of the MTA Energy directors and key officers involved in the day-to-day operation of MTA Energy are attached at **Appendix L** (provided on a commercial in confidence basis).

4.2 Material failures, revocation of authorisations and legal actions

There have not been any material failures, revocation of authorisations, failed authorisation applications or legal actions by or against the officers of MTA Energy and/or the Board or Directors of MTA Energy. An officer's declaration from MTA Energy's Managing Director and CEO, Gareth Mann, to this effect is contained in **Appendix L** (provided on a commercial in confidence basis).

4.3 Legal Actions

MTA Energy can confirm no director or company officer has any past or present administrative or legal actions in relation to an authorisation, authority or license in any industry.

4.4 Names and addresses of key officers

The names and current residential addresses of directors or officers of MTA Energy named in this application are attached at **Appendix M** respectively (provided on a commercial in confidence basis).

4.5 Policies and procedures addressing the probity of officers and other key management staff

MTA Energy has adopted the MTA Energy Code of Business Conduct which outlines key policies and business practices addressing the probity and conduct of all MTA employees (including directors and officers) aligned to the MTA Values. The Code is provided in **Appendix N**.

5. APPENDICES

Attached is the supporting documentation in relation to this application. The attached documents include:

Appendix	Confidential
A. MTA Energy Business Plan	Yes
B. MTA Energy Organisation Chart	Yes
C. Key Personnel Experience	
i. MD & CEO – Resume	Yes
ii. Key Officers Resumes	Yes
D. Compliance Support Credentials – External Support Organisations	Yes
E. Compliance Plan and Register	Yes
F. Risk Management	
i. MTA Risk Management Policy and Register	Yes
ii. MTA Risk Management Strategy	Yes
G. MTA Retail Contracts	Yes
H. Privacy Policy	No
I. MTA ownership Structure and Shareholder Details	Yes
J. MTA Auditors Insolvency Statement and Financial Reports	Yes
K. Managing Director Declaration – Financial Resources & Suitability	Yes
L. Directors Declarations – Suitability & No Material Failures	Yes
M. Directors and Officers – Contact Details	Yes
N. Business Code of Conduct	No