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From: "Hepburn Wind - Simon Holmes à Court, Chairman" <info@hepburnwind.com.au>



Newsletter - May 2010

Chairman's Letter

Dear Members,

Since the humble beginnings as a project of the Hepburn Renewable Energy Association five years ago, we have been steadily building our project based on your support.

We especially acknowledge the trust and vision of those who invested long before the project was a certainty. The courage of our membership has enabled us to deliver a robust and ambitious project.

We have reached a major milestone with the recent signing of the 'turn-key' contract with REpower Systems for the design and construction of our two turbine wind farm, and with this we move to a new phase of certainty.

Since the announcement of the contract signing, we have been inundated with interest from the media and other communities around the country. In a week when the government took a major step back from a low carbon future, our community took decisive steps to unashamedly "go it alone".

I believe that most Australians want to see a meaningful response to the threat of climate change, but many aren't sure what constructive role they can play. You have provided an answer. By pooling our resources, we now have a model for a low carbon future that is both low cost - at least four times cheaper than rooftop solar PV - and creates a significant new, clean industry for our shire.

There is still much to do before our turbine blades are turning. Right now our first task is to complete our fundraising through the placement of our final offering of 1.8 million shares.

We're asking for your help in spreading the word to your friends, family and colleagues and in considering increasing your stake if you are able - see details below.

I'd like to take this opportunity to thank our two retiring directors, Mim Dineen and David Wait. Mim has been a mainstay of the project since 2006 and is heading west with her family for an extended adventure. David has been a director since the co-operative's formation meeting and intends to remain active in community engagement.

Simon Holmes à Court
Chairman, Hepburn Wind



AGM Report

The second Annual General Meeting of Hepburn Wind was held at the Daylesford Town Hall on Wednesday 28 April 2010. Over 120 members and guests attended the meeting - again a fantastic turnout. The meeting included:

- reports from the chairman and treasurer
- the announcement of the signing of the turnkey construction contract with REpower Systems
- a wide-ranging question and answer session with the board and representatives from REpower Systems
- the election of two new directors, Daniel Magasanik and Kate Redwood (see below)
- acknowledgement of the contribution of two retiring directors, Mim Dineen and David Wait
- unanimous acceptance of the Financial Report to 30 June 2009 and passing of the proposed amendments to the rules.

[Reports and photos](#) from the AGM are available on our website.

The board extends its gratitude to our outgoing secretary, Mim Dineen, for co-ordinating a very smooth meeting.



New Directors

The AGM gave members an opportunity to vote for directors to fill two board positions that were vacated according to the co-operative's rules. We thank all of those who nominated - the standard and skills of Hepburn Wind's membership base is truly inspiring.

From a talented field of six, we are delighted to welcome two new directors who bring extensive, relevant skills and experience.



Daniel Magasanik

Daniel was a founding director of the Energy Research and Development Corporation, funded by the Australian Government and the co-founder of McLennan Magasanik Associates, one of Australia's leading consultancies specialising in the energy industries. Daniel holds degrees in chemical engineering from McGill University in Montreal and the Illinois Institute of Technology in Chicago. Daniel's main interest is the sustainability of human activities, particularly the extraction and conversion of energy. The Magasanik family has a longstanding connection with the Daylesford area, and owns a block of land bordering the Wombat State Forest near Korweinguboora.



Kate Redwood

Kate is a resident of Daylesford and is involved in a range of community activities. Kate is currently secretary of the Daylesford Football Netball Club and Vice President of the Friends of Cornish Hill conservation group. Kate has held senior management roles with significant community service organisations, and has served two terms as an elected councillor for the City of Melbourne. As a councillor she chaired the Committee for Environment, Community and Cultural Development. Kate is currently serving a third term as Director of Melbourne Health and is a Director of the Walter and Eliza Hall Institute among other directorships. Kate holds a Bachelor of Arts, Bachelor of Social Work and an accelerated MBA. Kate received an Australian Centenary Medal for services to local government and the community in 2001.

Project Update

Over the coming months, there will be much activity both on and off the Leonards Hill site as the wind farm takes shape. A brief summary:

- Contracts for the supply and construction of the wind farm have been signed with [REpower Systems](#).
- All project assets (namely the lease and project intellectual property) have been transferred to the co-operative from Future Energy.
- The turbines will be imported from Germany, however the towers and as much of the on site materials as possible are expected to be sourced in Victoria.
- The grid connection agreements with Powercor are in-hand, and are expected to be signed shortly. The design of the connection works proved to be particularly challenging and significantly more expensive than anticipated. (The Membership and Share Offer released in April accounts for the new contract sum.)
- REpower will manage all works on-site with the exception of works related to Powercor's grid connection.
- Detailed engineering design of the wind farm has started and the various compliance plans required under our Council permit are being developed.
- Initial work on preparing the site is expected to start within six months, and we are expecting that the wind farm will be operational by Easter next year.
- We are continuing discussions with a number of electricity retailers for the purchase of our electricity. While seeking the highest possible price and recognition of the benefits of producing power near the community, we are also working to strike a deal whereby our branded power will be available for sale back to members.
- Hepburn Wind will shortly be appointing an Administrative Officer to assist our Executive Officer - the second paid position created by this project.

Final Share Offer



Despite a tumultuous 18 months for the world economy and the politics around carbon abatement, our members - you - have marched to the beat of a different, more optimistic drum by investing over \$7.5m in the project.

While the end of the capital raising stage is in view, we're not quite there. Additional grid connection complexity identified in the detailed design phase, along with growing activity in the domestic renewable energy sector have increased the total project cost to \$12.9m. Taking into account our loan and government grant, the project requires an additional \$1.8m.

We have updated our [Membership and Share Offer](#) in light of the changed project costs and financial assumptions since the original offer was launched. The updated document is recommended reading for all members and aims to raise the remaining \$1.8m required.

Hepburn Wind will be publicising the final capital raising widely, but we asking you to help by letting family, friends and colleagues know about the status of the project. With the certainty of a signed construction contract, growing interest in our project (visitors to our website are up 500% over the last 3 months) and the strong support of our 1112 members, we are confident that the offer will soon be fully subscribed.

Members interested in increasing their investment will find the (much simplified) application form in the updated Membership and Share Offer.

If you require a printed copy or would like us to send one to a potential new member, please [contact us](#) via the website or email info@hepburnwind.com.au.

Local Community Offer - \$100

Our local community is the cornerstone of the project and over the past 12 months over 600 locals have become members. Locals account for more than half our total membership demonstrating the growing pride that our local community feels in creating this historic project.

Our local community is proudly diverse and Hepburn Wind has taken an active role in participating and supporting a wide range of local community events such as the Swiss Italian Festa, New Years Eve Parade and Chillout. We have also maintained strong links with our local sustainability group SHARE and with others across central Victoria who are strong supporters of our project.

In order to ensure an opportunity for as many as possible within our community, the minimum application for locals is just \$100. We would encourage all our local members to promote the \$100 offer widely within the community. Please make sure that your neighbours and friends hear about Hepburn Wind and let them know why you got involved. Buying shares on behalf of your children or grandchildren is another great way to involve the next generation in a sustainable future.

By encouraging more local people joining us we will ensure that our vibrant, community-owned project that will always be controlled by the community.

More information about our local offer is [available on our website](#).

Recent Media

Our project is receiving increasing attention. We have received over 1000 unique visitors to our website over the last week alone! A selection of recent articles includes:

- [Wind farm dream now a reality](#), Hepburn Advocate, 5 May 2010
- [Daylesford wind farm goes ahead](#), The Age, 29 April 2010
- [A wind farm of the people](#), Weekly Times now, 5 May 2010
- [Daylesford wind farm goes alone](#), Ballarat Courier, 28 April 2010
- [Green light for community wind farm](#), Weekly Times now, 28 April 2010

Your Ideas and Assistance

We know that our membership has a broad range of skills, connections, ideas and energy. Please email feedback@hepburnwind.com.au with your feedback about the project and any ideas or links you have to promote our project within the broader community.

We also know that many of our members are willing to help out as volunteers in a range of areas. If you are interested in helping us, please email volunteers@hepburnwind.com.au and we will contact you to discuss further.

We value the support of our members and their commitment to promoting Hepburn Wind. As we move into this next exciting phase of the project by working together we will create a model to inspire other communities around Australia.

FOLLOW US ON TWITTER



If you haven't already checked out our Twitter feed, you'll find Hepburn Wind and related news there first! See <http://twitter.com/hepburnwind> for more information.

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