

Solar power shops renew energy picks

■ Helen Shield

A renewable energy company has struck a deal with national shopping centre owner SCA Property Group that could see it using renewable energy to supply power needs at four of its shopping centres.

The deal echoes the efforts made by Perdaman Group's Vikas Rambal at his Northam shopping centre redevelopment — a WA first — where he spent \$3 million on a system to generate more than a million kilowatt hours of electricity a year, accounting for 40 per cent of the shopping centre's needs.

ReNu energy has signed with SCA to spend about \$4.3 million on solar and network systems that will supply 2.9MW of solar PV and energy supply to four

shopping centres and up to 130 tenants. The four projects are forecast to generate about \$700,000 in earnings before interest, tax, depreciation and amortisation in the first year.

Under the ReNu deal, SCA tenants will have an option to use ReNu's electricity supply contract which may reduce their electricity costs. Any shortfall will be supplied by a retail electricity company, ensuring tenants get reliable supply and ReNu doesn't have to take on wholesale electricity market risk.

The first ReNu installation will be at SCA's Griffin Plaza shopping centre in Griffith, NSW, before the end of September. The next three are planned for Mt Gambier and Murray Bridge in SA and Lismore in NSW.

ReNu Energy will install, own



Perdaman's Vikas Rambal spent \$3 million on a solar power supply for Northam Boulevard Shopping Centre.

and operate the solar PV and embedded network systems in each centre for 10 years, with renewal options for a total of up to 25 years. The deal gives ReNu Energy the first right of refusal, subject to conditions, to evaluate the delivery of another seven projects to SCA centres.

SCA, which has a diversified shopping centre portfolio of 74 shopping centres worth \$2.2 billion, has three centres in WA.

They are a Busselton neighbourhood shopping centre, at 56 Kent Street, valued at \$24 million,

with a Woolworths and five specialty shops; the \$28 million Kwinana Place shopping centre at 4 Chisham Avenue, Parmelia, with a Woolworths, Big W and a Dan Murphy's liquor store; and a Treendale neighbourhood centre at 10 Promenade, valued at \$33 million, anchored by Woolworths and with 19 specialty retailers.

There is no guarantee the program will be rolled out here.

However, ReNu Energy chief executive Chris Murray said the SCA deal was a significant milestone and it was excited about

giving SCA a "cost competitive renewable energy solution".

"The systems will improve the green credentials of the centres and the behind the meter solar PV will provide a partial hedge against future retail electricity price rises," Mr Murray said.

"We see significant opportunity to roll out this model in different commercial building applications, such as retirement villages and offices. These projects are attractive to debt and equity funders and position us well for expansion."

burgess rawson

Investment Portfolio Auction 113

Southeast Africa Childcare Investment

burgess rawson

Investment Portfolio Auction 113

Immersive Ereal Investment

