



Casalduni 34.7 MW Wind Farm, Campania, Italy

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Note

Unless differently stated, this Report has been prepared on the basis of the information gathered and/or project documents reviewed up to the cut-off date of July 11, 2022.

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1 Executive Summary

This construction report covers the period of May and June 2022 (the "Reference Period") and provides information on the status of the main construction activities, based on the documents made available by the Project Company on July 11, 2022 and the Q&A.

Overall Progress

Renexia started the Site Works on April 27, 2022 with the site preparation activities.

Due to a landslide on the SS90, Km 48 + 500 the delays on the WTGs transportation have been occurred. In order to solve the transportation issue, SGRE has found an alternative route (starting from the Barletta port, in Apulia).

ANAS Campobasso (the road manager) requested to verify the infrastructures present in the route with a technical analysis and surveys to be provided by SGRE. To this aim, ANAS provided the transportation conditions on the SS645 from km 28+740 to km 1+070, SS710 from km 2+450 to km 0+000 and SS87 from km 131+800 to km 105+850 [23].

SAE company provided ANAS with a first survey of the infrastructures present along the route and has been prepared a report of the bridges affected by the transit and subsequent additions. ANAS has approved the proposed plan of investigations on the structures.

The investigation started on February 7, 2022 and was completed on February 18, 2022 as scheduled. The transitability report confirms the feasibility of the transport from Barletta port to Casalduni construction site of the WTG's main components.

As informed by the EPC contractor¹ following the meeting occurred on May 12, 2022 to discuss the final details of the transportation, ANAS confirmed the official issuance of the authorization by the end of May². The TA has been informed that after a meeting on May 26 the requested documentary additions have been provided on May 31. The technical checks were concluded with positive results, so ANAS Campobasso asked ANAS (national) to proceed with the necessary paperwork. The final authorization is expected to arrive within the end of July. The TA was informed that the transporter saw the ANAS procedure reactivated on July 13 and expects the greenlight by next week³. On July 20, 2022 Renexia provided to the TA the document that certifies the final authorization by ANAS and allows scheduling the transport of all WTGs components to the site [39].

With reference to the TSA and the postponement of the Guaranteed Date provided therein, as per the above considerations, Renexia is still discussing with the supplier about the nature of the events which have delayed the transport of WTGs. On the WTG's Supplier opinion, the landslides occurred on the original route are events of Force Majeure and, therefore, the Guaranteed Date must be adjusted automatically, without any liability for it (in terms of LDs).

¹ by phone on May 23, 2022.

² communication on May 23, 2022

³ email on July 18, 2022

However, in Renexia opinion a solution of mutual satisfaction will be found, also in terms of additional costs arisen to date. The Sponsor informed that no claim towards the SPV will be made by the EPC Contractor who will resolve the matter with its suppliers. No updates have been shared with the TA during the Reference Period.

In the Reference Period, in accordance with the main planned works, the following activities have been observed:

- Siemens materials (nacelles, hub and tower) are stored in Spain waiting to be shipped to the port of Barletta; the date will be decided once the final authorization will be released by ANAS
- After a meeting on May 26 the requested documentary additions have been provided on May 31. The technical checks were concluded with positive results, so ANAS Campobasso asked ANAS (national) to proceed with the necessary paperwork. The final authorization is expected to arrive soon.
- The Site Works activities started on April 27, 2022 are ongoing. Prepared in order to start drilling, the runways and pads related to WTG08 turbines, 09 and 10. Also under work with a second team are the tracks and pads of WTG13, 14, 18. Delivered the reinforcement cages for the foundation piles of the first pads. A new firm, Trivellazioni Italia, has been contracted in agreement with Panza (the old firm) due to a technical problem with the Panza's drill. G08 turbine piles have been made and G09 piles have begun. Work continues on the construction of the runways and pads in the WTG08/018 area.
- Explosive ordnance clearance and archaeological monitoring has been performed during the Reference Period.

Moreover, it has been stipulated a contract with Siemens for the electromechanical supply and installation.

The TA notifies that, based on the updated project schedule, the Updated Interconnection Date Deadline (April 20, 2022) as per definition in the Waiver of Terms and Conditions of the Notes dated October 4, 2021, will not be met. Moreover, the TA notes that, based on the updated project schedule, the Long Stop Date (July 31, 2022) as per definition in Terms and Conditions of the Notes, will not be met either. As informed a Waiver of Terms and Conditions is currently under discussion with the Lenders.

This updated schedule, however, would allow the Project to be guaranteed the awarded Tariff without any penalties: the deadline to avoid a 1% reduction on the awarded Tariff for the projects awarded in third auction (in accordance with the DM July 4, 2019), whose ranking results were published in September 2020, was extended to April 2, 2023 due to the current COVID-19 emergency [9].

The TA notes that the buffer to meet this target (the conditions for eligibility to the FiT are: (i) energization of the first WTG and (ii) Erection of all WTGs., whose combined achievement is currently foreseen for the end of 2022 as per latest available Schedule, which is going to be subject to variations as described in Section 5) is quite large, and safe also in case of further delays. However, a thorough assessment of this risk will be possible once an updated Schedule is made available by the Sponsor.

Budget

No EPC Contract milestones have been achieved in the reference period. The TA has been informed that the "Cables delivery on site" event has been occurred (cables are delivered on site), anyway no payment to Renexia Services has been done.

The amount of 33,705.6 k€ corresponding of 80% of the EPC costs, has been achieved.

Permitting and Land acquisition/concession

- The land rights were obtained on August 1, 2020. The payment for the land costs related to the landowners and MEF are in final phase (90% of the payment has been conducted). The remaining part is expected to be finalized before the starting of the works;
- The land rights for provisional areas are foreseen to be completed by the end of July based on the works progress in the construction site;
- First and second UXO (Unexploded Ordinances) with positive result obtained.
- It has been stipulated the concession with the Province of Benevento for the laying of the cable duct obtained on July 17, 2020 and the authorization for roads adjustment on February 5, 2021.;
- The authorisation for the cable duct line was obtained from the Pontelandolfo Municipality on April 15, 2021. No related concession will be issued, as it is not needed⁴.
- The authorization from the Casalduni Municipality was obtained on March 11, 2022;
- Decree of EIA Extension was obtained March 23, 2021 with positive comments from MATTM and MIBACT.

HSE

Nothing to report in the Reference Period.

Site Visit

The TA has performed the Site Visit on June 08, 2022. All the related informations are reported in Annex1.

⁴ Confirmed by Renexia with clarification email on 28/05/2021

2 Background

The Casalduni WF (the "Project" or the "Wind Farm"), with a total capacity of 34.7 MW consisting of 10 Siemens-Gamesa G132-3.465MW with a hub height of 114 m, received the EIA Decree on November 22, 2014 and has been authorized by the Campania Region according to the D.Lgs. 387/2003 ("Autorizzazione Unica" or "AU") on March 22, 2016. On November 27, 2019 by the AU Decree n.465, the Campania Region issued the Single Authorization for the Project as "Variante".

The Wind Farm is owned by Parco Eolico Casalduni House Srl (the "Project Company" or the "PC" or the "Client"), which in turn is owned by Renexia SpA (the "Sponsor").

In the 2018, Fichtner has been mandated for the lender's engineering activities for the benefit of each financial institution providing debt service to the Project Company according to their individual needs.

As informed by the Sponsor, the Project applied to the third auction in accordance with the DM July 4, 2019. The auction ranking results were published in September 2020. The Project was awarded a tariff of 66.84 €/MWh, corresponding to a 4.51% discount with respect to the threshold tariff of 70 €/MWh, assigned for 20 years starting from the Project COD.

In this framework new turbine supply and O&M contracts (TSA and ISP) have been signed with the Danish WTG manufacturer Siemens Gamesa on December 2020.

Fichtner Italia ("Fichtner" or the "TA" or "LE"), mandated as lender's engineer, has been requested to provide a Construction Report related to the update status of the Project.

During this exercise, the TA has liaised with, or received information from, representatives of the following parties:

- Parco Eolico Casalduni House (PECH) as SPV;
- Renexia as Sponsor

3 Introduction

This report aims to provide the Lenders with the status of the main project construction activities for the Reference Period.

The works mainly consist of:

- Building and installation of 10 WTGs composed by 9 deep foundations (piles) and 1 foundation that transfers the load directly on the terrain, for a total installed power of 34.65 MW;
- Execution of the MV cable-ducts;
- Construction of the SSE for the MV/HV transformation of the produced energy;
- Construction of the HV cable duct connected with the RTN⁵ line.

All the WTGs are located in Municipality of Casalduni, grouped into two clusters: WTG03, WTG04 and WTG05 belonging to the first cluster and the WTG08, WTG09, WTG10, WTG11, WTG13, WTG14 and WTG18 are in second cluster, while the SSE is located in the Municipality of Pontelandolfo, nearly the existing substation RTN.



Figure 3-1 – Layout of all WTGs and SSE

⁵ “Rete elettrica di Trasmissione Nazionale”, High Voltage Transmission Line

4 Contractual structure

The Project foresees a contractual structure, summarized in the following figure and table:

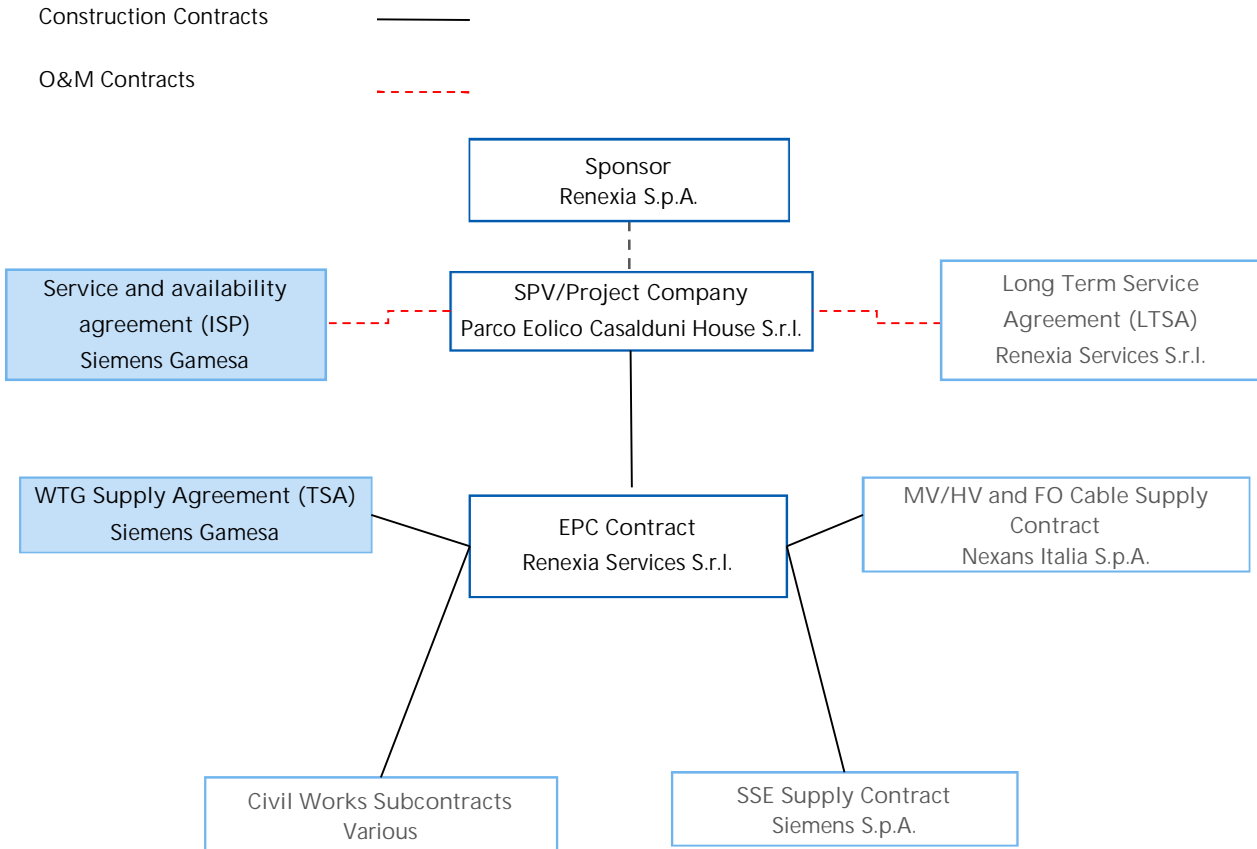


Table 4-1: Casalduni WTG Project Contracts

The new contractual scheme technically covers all the main activities related to the procurement, construction/erection/installation and testing of the Project. This structure will expose the EPC contractor to risks coming from their direct involvement on several responsibilities pertaining to transportation and WTG's towers supply and installation/testing.

4.1 Project Organizational Chart

The EPC Contractor Renexia Services S.r.l. has shared the following Organizational Chart highlighting the main roles and responsibilities of its resources during the Project execution:

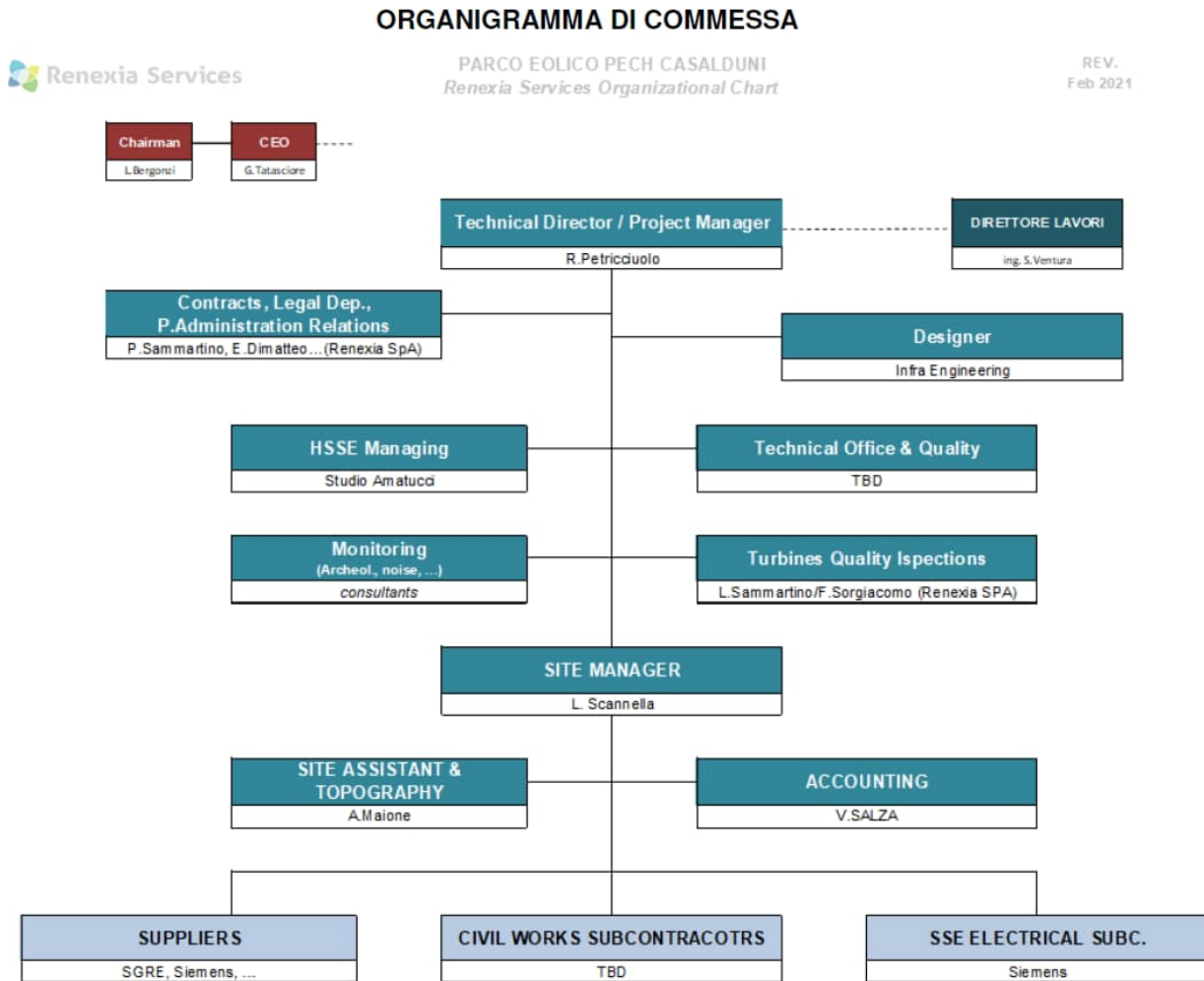


Table 4-2: Project Organizational Chart of EPC Contractor

This organisational structure is, in the TA's opinion, aligned with the industry standard.

5 Overall Project schedule

The dates of the construction milestones are reported in the overall project schedule of the Wind Farm provided to the TA at DD phase compared with the new timetable to be attached to the EPC amendment [2].

Event	Planned Schedule [2]	Updated Schedule Feb 22 [28]	Updated Schedule Jun 22 [37]	TA's comments
Construction Contracts	Done	Done	Done	The Notice to Proceed (NTP) signed in the mid of January 2021 between the EPC contract and the TSA (Siemens Gamesa).
UXO Survey	Partially Done	Done	Done	
Start of Site Works	In the mid of May 2021	May, 2022 [Delay: 12 months]	May, 2022 [Delay: 12 months]	<p>According to the information provided to the TA, Renexia started the Site Works on April 27, 2022 [34].</p> <p>Due to a landslide on the SS90, Km 48 + 500 the delays on the WTGs transportation have been occurred. In order to solve the transportation issue, SGRE has found an alternative route (starting from the Barletta port, in Apulia).</p> <p>ANAS Campobasso (the road manager) requested to verify the infrastructures present in the route with a technical analysis and surveys to be provided by SGRE. To this aim, ANAS provided the transportation conditions on the SS645 from km 28+740 to km 1+070, SS710 from km 2+450 to km 0+000 and SS87 from km 131+800 to km 105+850 [23].</p> <p>SAE company provided ANAS with a first survey of the infrastructures present along the route and has been prepared a report of the bridges affected by the transit and subsequent additions. ANAS has approved the proposed plan of investigations on the structures.</p> <p>The investigation started on February 7, 2022 and was completed on February 18, 2022 as scheduled. The transitability report confirms the feasibility of the transport from Barletta port to Casalduni construction site of the WTG's main components.</p>

				<p>As informed by the EPC contractor⁶ following the meeting occurred on May 12, 2022 to discuss the final details of the transportation, ANAS confirmed the official issuance of the authorization by the end of May⁷.</p> <p>The TA has been informed that after a meeting on May 26 the requested documentary additions have been provided on May 31. The technical checks were concluded with positive results, so ANAS Campobasso asked ANAS (national) to proceed with the necessary paperwork. The final authorization is expected to arrive within the end of July [36][38]. The TA was informed that the transporter saw the ANAS procedure reactivated on July 13 and expects the greenlight by next week⁸. On July 20, 2022 Renexia ha provided to the TA the document that certifies the final authorization by ANAS and allows scheduling the transport of all WTGs components to the site [39].</p> <p>The scheduling of Civil works is directly linked to the arrival on site of the WTGs in order to optimize both time and costs, minimizing the presence of different sub-contractor companies on site.</p>
WTGs delivery on site	From 09/09/2021 to 15/12/2021	July 2022 [Delay: 10 months]	September to December 2022 [Delay: 12 months]	<p>The WTG blades have arrived in the Naples port according to the schedule.</p> <p>Since the installation envisages a "Just-in-time" approach, the transportation is planned at the delivery on site of the whole set of the main components at the end of the WTG's foundations.</p> <p>The Nacelles, Hubs and Drivetrains are currently at Polígono Industrial Valdemiés II, Parcela 3, 42100, AGREDA (SORIA) while the Towers are at TADARSA LOGISTICS S.L.</p> <p>In view of the accrued delays on the transport issues, the delivery of the first WTG at site is currently foreseen during the second week of September. WTG transportation will be completed at the end of December [38].</p>

⁶ by phone on May 23, 2022.

⁷ communication on May 23, 2022

⁸ email on July 18, 2022

MV Cables delivery on site	31/03/2021	Done	Done	All MV and Fiber Optic cables has been delivered at the Casalduni site at the end of March 2022.
HV Cables delivery on site	1/09/2021	April 2022 [Delay: 7 months]	September 2022 [Delay: 12 months]	According to the information provided to the TA, the HV Cables delivery on site is planned for September [37].
WTGs foundation completion	6/10/2021	June 2022 [Delay: 8 months]	September 2022 [Delay: 11 months]	The activity has been postponed due to delay in WTG delivery, as typically foundation completion and WTG installation are performed in sequence to optimize costs and logistics of the involved companies. According to the information provided to the TA the WTGs foundation completion is envisaged within September 2022 [37].
20/150kV SSE Energization	10/11/2021	From August 1 to 5, 2022 [Delay: 9 months]	November 2022 [Delay: 12 months]	According to the information provided to the TA the 20/150kV SSE Energization is planned for November [37].
MV Cables and F.O: installation	From 13/05/2021 to 27/10/2021	From April to September 2022 [Delay: 11 months]	July to December 2022 [Delay: 14 months]	Carried out by Nexans Italia S.r.l. Due to delay in WTG delivery, in analogy with WTG foundation completion. According to the information provided to the TA the activities will start in July and end in September 2022 [37].
WTGs Erection	15/12/2021	From August to September 2022 [Delay: 8 months]	September to December 2022 [Delay: 9 months]	According to the information provided to the TA The erection of all WTGs will be completed in December 2022 [37].
Mechanical Completion WTGs	From 14/10/2021 to 19/01/2022	From September to October 2022. [Delay: 11 months]	October to December 2022 [Delay: 12 months]	According to the information provided to the TA the Mechanical Completion WTGs is planned for the end of the year [37].

WTGs Energization	From 16/12/2021 to 26/01/2022	Expected at the end of WTGs erection phase - September - October 2022.	November 2022 to January 2023 [Delay: 11 months]	According to the information provided to the TA the first WTG Energization will start at the end of November 2022 [37].
WTGs trial tests	From 27/01/2022 to 23/03/2022	From October to November 2022. [Delay: 11 months]	January to March 2023 [Delay: 12 months]	According to the information provided to the TA The test run of the WTGs will start in January 2023 be completed in March 2023 [37].
WTGs Take Over	From 17/03/2022 to 20/04/2022	From November 2022 to January 2023. [Delay: 8 months]	February to April 2023 [Delay: 11 months]	According to the information provided to the TA the WTGs Take Over is foreseen to be finalized in April 2023 [37].
Wind Farm Take Over	27/04/2022	January 2023. [Delay: 9 months]	April 2023. [Delay: 12 months]	According to the information provided to the TO is foreseen to be in April 2023 and will be achieved following the final inspection [35].

The TA notifies that, based on the updated project schedule, the Updated Interconnection Date Deadline (April 20, 2022) as per definition in the Waiver of Terms and Conditions of the Notes dated October 4, 2021, will not be met. Moreover, the TA notes that, based on the updated project schedule, the Long Stop Date (July 31, 2022) as per definition in Terms and Conditions of the Notes, will not be met either. It is recommended to define a new Waiver of Terms and Conditions in this respect.

This schedule, however, would allow the Project to be guaranteed the awarded Tariff without any penalties: the deadline to avoid a 1% reduction on the awarded Tariff for the projects awarded in third auction (in accordance with the DM July 4, 2019), whose ranking results were published in September 2020, was extended to July 30, 2022 (an additional 218 days compared to the previous deadline, set on December 24, 2021 by DM July 4, 2019) and then to April 2, 2023 (an additional 463 days compared to the initial deadline, as per Decreto Legge n. 105/2021 of 31/12/2021⁹) due to the current COVID-19 emergency [9].

The TA notes that the buffer to meet this target (the conditions for eligibility to the FiT are: (i) energization of the first WTG and (ii) Erection of all WTGs., whose combined achievement is currently foreseen for the end of 2022 as per latest available Schedule, which is going to be subject to variations as described above in this Section) is quite large, and safe also in case of further delays. However, a thorough assessment of this risk will be possible once an updated Schedule is made available by the Sponsor.

⁹ As per GSE website <https://www.gse.it/emergenza-covid-19>

6 Project Progress

In the Reference Period (May-June 2022):

- Siemens materials (nacelles, hub and tower) are stored in Spain waiting to be shipped to the port of Barletta; the date will be decided once the final authorization will be released by ANAS
- After a meeting on May 26 the requested documentary additions have been provided on May 31. The technical checks were concluded with positive results, thus ANAS branch office Campobasso asked ANAS central offices (national) to proceed with the necessary paperwork. The TA has been informed that the final authorization is expected to arrive within July 2022.
- The Site Works activities started on April 27, 2022 are ongoing. Prepared in order to start drilling, the runways and pads related to WTG08 turbines, 09 and 10. Also under work with a second team are the tracks and pads of WTG13, 14, 18. Delivered the reinforcement cages for the foundation piles of the first pads. A new subcontractor, Trivellazioni Italia, has been appointed. G08 turbine piles have been made and G09 piles have begun. Work continues on the construction of the access roads and cranepads in the WTG08/018 area.
- Explosive ordnance clearance and archaeological monitoring has been performed during the Reference Period.

Project Progress

The updated progress for the project activities has been reported by the PC on a monthly basis, with the break-down below illustrated in the below tables.

Cod.	Description	Weight	PROGRESS Monthly Act.	PROGRESS Cumulat. Act.	Overall Progress
		[%]	[%]	[%]	[%]
A	Civil Works	10.9	9.9	9.9	1.1
B	SSE & Electrical Cables Procurement	7.1	68.0	68.0	4.9
C	WTGs Procurement & Installation	78.5	90.0	90.0	70.7
D	Design & Management	3.5	42.0	42.0	1.5
	TOTAL	100.0	78.1	78.1	78.1

Table 6-1: Break-down of EPC progress by activities

The overall weighted progress until today has been of 78.1%.

Cod.	Description	Weight	PROGRESS	PROGRESS	Overall Progress
		[%]	Monthly	Cumulat.	
			Act.	Act.	
			[%]	[%]	
A1	Concrete Supply - Plinths and Poles	18.0	6.0	6.0	1.1
A2	Quarry Arid Material Supply	12.0	12.0	12.0	1.4
A3	Steel Supply - Poles and Foundations	20.0	17.0	17.0	3.4
A4	Earthmoving	18.0	20.0	20.0	3.6

A5	Foundation Pole Construction	3.0	12.0	12.0	0.4
A6	Realization WTG Construction	6.0	0.0	0.0	0.0
A7	Laying Fiber Optic Cables - including oo.cc.	15.0		0.0	0.0
A8	OCC Electrical Substation	8.9	0.0	0.0	0.0
Total		100.0	9.9	9.9	9.9

Table 6-2: Civil works progress detail

Cod.	Description	Weight	PROGRESS	PROGRESS	Overall Progress
		[%]	Monthly	Cumulat.	
			Act.	Act	
			[%]	[%]	
B1	SSE Plants Supply	70.0	65.0	65.0	45.5
B2	MV, FO and HV Cables Supply	30.0	75.0	75.0	22.5
Total		100.0	68.0	68.0	68.0

Table 6-3: SSE & Electrical Cables Procurement progress detail

Cod.	Description	Weight	PROGRESS	PROGRESS	Overall Progress
		[%]	Monthly	Cumulat.	
			Act.	Act	
			[%]	[%]	
C1	Notice to proceed	20.0	100.0	100.0	20.0
C2	Delivery on site Anchor Bolts	10.0	100.0	100.0	10.0
C3	Exworks	60.0	100.0	100.0	60.0
C4	Installation & Take Over	10.0	0.0	0.0	0.0
Total		100.0	90.0	90.0	90.0

Table 6-4: WTGs Procurement & Installation progress detail

Cod.	Description	Weight	PROGRESS	PROGRESS	Overall Progress
		[%]	Monthly	Cumulat.	
			Act.	Act	
			[%]	[%]	
D1	Design & technical consulting	40.0	80.0	80.0	32.0
D2	Operations Management	60.0	16.7	16.7	10.0
Total		100.0	42.0	42.0	42.0

Table 6-5: Design & Management detail

The activities carried out in the Reference Period are summarized as follows:

- Anchor bolts delivered on site;
- WTG blades delivered at the port of Napoli
- UXO testing carried out and certificates obtained
- Auxiliary transformer FAT successfully passed;
- Main HV/MV transformer reached EXW.
- Executive design of User SS is carried out and the deposit to the Genio Civile is done.

According to the Annex C of the TSA the “Guaranteed Date” would have occurred in September 2021 corresponding with the Start-up Date. Furthermore, such date shall only be extended provided that Contractor can demonstrate that any delay is attributable to one or more of the following events:

- breach by the Buyer or by Buyer’s subcontractors of the obligations and representations under this Agreement;
- signing by the Parties of a Change Order to the extent such Change Order provides for an extension of the Guaranteed Date;
- Force Majeure;
- Adverse Weather Conditions.

As per the information received by the Sponsor, ¹⁰Renexia is currently negotiating with the suppliers all the appropriate amendments to related contracts.

At the present, they have not yet a draft of the amendment agreements to share with TA and Lenders. However, the contracts will be duly adjusted to take in the account the delays occurred for the Project.

With reference to the TSA and the postponement of the Guaranteed Date provided therein, as per the above considerations, Renexia is still discussing with the supplier about the nature of the events which have delayed the transport of WTGs. From a Contractor’s point of view, the landslides occurred on the original path are events of Force Majeure and, therefore, the Guaranteed Date must be adjusted automatically, without any liability for it (in terms of LDs).

However, Renexia will find a solution of mutual satisfaction, also in terms of additional costs arisen to date. The Sponsor declared that no claim towards the SPV will be made by the EPC Contractor who will resolve the matter with its suppliers.

No update information has been shared in the Reference Period. The TA will monitor the evolution of this situation and update the Lenders accordingly.

¹⁰ email and call held on 17/03/2022

7 Budget

The incurred construction costs amount, based on the EPC Contract milestones, are reported in the table below, as per the version of the Schedule updated in April 2022 [36].

Month	SAL [k€]	%	Milestone
Milestones achieved			
4 July 2019	10,954.3	26.0%	Advance payment EPC
FY19	10,954.3	26.0%	
Dec-20	1,053.3	2.5%	WTG Contract/SSE Contract
FY20	1,053.3	2.5%	
Feb-21	632.0	1.5%	Cable Supply Contract
Jun-21	842.6	2.0%	Cables EXW
Jun-21	2,527.9	6.0%	Site Delivery Anchor bolts
Aug-21	8,426,4	20.0%	No. 5WTG EXW batch 1
Nov-21	8,005,1	19.0%	No. 5WTG EXW batch 2
Dec-21	1,264.0	3.0%	Transformer EXW
FY21	21,698.0	51.5%	
Milestones not yet achieved			
Apr-22	842.6	2.0%	Cables delivery on site
Jul-22	842.6	2.0%	Definitive Platform and Roads completed
Sep-22	1,264.0	3.0%	WTG Foundation completed – MW Cable and FO installation completed
Nov-22	1,264.0	3.0%	SSE Energization/Mechanical completion
FY22	4,213.2	10.0%	
Mar-23	4,213.2	10.0%	Provisional Acceptance Certificate
FY24	4,213.2	10.0%	

Tabella 7-1: EPC Contract Milestones status

No milestone payment has been reached in the reference period. The TA has been informed that the "Cables delivery on site" milestone has technically been occurred (cables are correctly on site), however payments from Renexia Services as EPC contractor are currently in hold.

Regarding the cost for having WTG blades deposited in the port of Naples, the Sponsor declared that for the first 4 months of storage, the cost is € 58.5k per month (for a total of 234 k€), then the cost has raised to € 195 per blade per day¹¹. Renexia informed the TA that the cost will be absorbed by the EPC contractor¹².

The Sponsor declared that, in their opinion, the WTG Supplier (Siemens Gamesa) shall assume the cost of WTG blade storage as the delay in WTG delivery has been recognized by the Sponsor as a Force Majeure event. For the same reason, the Sponsor does not foresee any impact on TSA. The discussion between Sponsor and WTG Supplier on this point is currently ongoing. As informed by the Sponsor, the WTG

¹¹ email on July 20, 2022.

¹² email on July 21, 2022.

Supplier has not suspended the works or implemented further contractual remedies against the non-payment so far.

The Sponsor declared that no claim towards the SPV will be made by the EPC Contractor who will resolve the matter with its supplier.

As informed a Waiver of Terms and Conditions is currently under discussion with the Lenders including the revision of the EPC payment schedule in accordance with the update Project Schedule.

The TA will monitor the evolution of this situation and update the Lenders accordingly.

8 Permitting and Lands rights

An updated status of the authorization process and events occurred in the Reference Period, related to permits and land rights, is provided in the following, based on the information provided by the PC report [1].

8.1 Permitting

Nothing to report in the Reference Period

With reference to the structural works, the Genio Civile of Benevento issued:

- Seismic Authorisation no. 6867 of 5 February 2021 issued by note Prot. N.2021.0077156 of 11/02/2021, relating to the construction of eight of the WTGs constituting the wind farm;
- Seismic Authorisation no. 6982 of 3 May 2021, issued with memo Prot. 04/05/2021, regarding the construction of the two remaining turbines WTG03 and WTG18;
- Seismic Authorisation no. 7379 of 26 January 2022, issued by note PEC Prot. 28/01/2022, relating to the construction of the 30/150 kV transformer station to serve the plant. of the plant.

On 14 March 2022, the request for approval of the noise monitoring plan for the CO (construction site) and PO (operation) phases was sent to ARPA Campania. Obtained from the municipality of Casalduni the authorization-concession decree no. 1234 of 11 March 2022, relating to the laying of a medium voltage underground cable duct.

8.2 Lands rights

Nothing to report in the Reference Period

ANAS: the authorization for the adjustment of external roads was obtained on March 29, 2021 [6], except for a minor intervention at Buonalbergo, whose authorization is awaited shortly according to Renexia [1]. Given the necessity to receive approval for the alternative WTG transportation route (see Section 5), the transport company prepared a report of the bridges affected by the transit and subsequent additions. ANAS has approved the proposed plan of investigations on some of the structures. These investigations are scheduled to begin in the first half of February 2022 with the duration of approximately 6 weeks [29]. Possession entries for temporary occupancies have been scheduled for the second week of March [30].

9 HSE

No Safety and Coordination Plan has been issued in the Reference Period [1].

10 Site Visit

The TA has performed the Site Visit on June 08, 2022. All the related informations are reported in Annex1.

11 Other Pictures

In the following, some pictures of the arrival of the WTG blades in the port of Naples and of the MV cable delivery at site as well as site track preparation activities, shared by the Sponsor, are attached [28] [34] [36] [38]:



Figure 11-1 - Works on site for WTG 08



Figure 11-2 - Works on site for WTG 18



Figure 11-3 - read preparation for WTG 13



Figure 11-4 - read for WTG 09



Figure 11-5 - Works on site for WTG 09



Figure 11-6 - read preparation for WTG 13



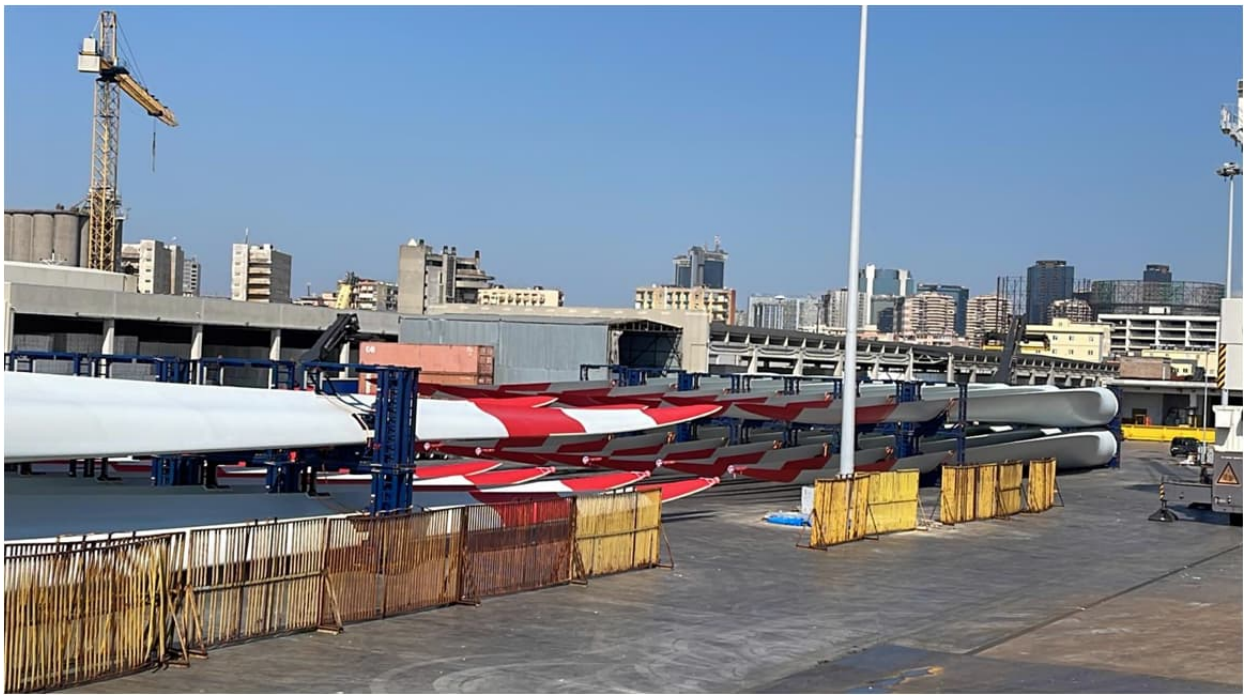


Figure 11-7 - WTG Blades at the port of Naples



Figure 11-8 - MV cable unloading at site

Key References

Doc. Ref.	Title	File Name	Version / Date
1	Construction Report December 2021	211130_report costruzione Casalduni.pdf	Received on December 13, 2021
2	Time schedule	Renexia Services P.E.C.H. – Programme nov2020.pdf	February 23, 2021
3	Clarifications	Email 22.05.2021	May 22, 2021
4	Pontelandolfo Municipality Concession	Prot_Par 0003131 del 13-04-2021 - Documento CCF_000073.pdf	April 23, 2021
5	Province Benevento for roads adjustment concession	concessione 21 del 05022021 SP95.pdf concessione 22 del 05022021 SP87.pdf	April 23, 2021
6	ANAS authorization for roads adjustment	220882.pdf 220892.pdf	April 23, 2021
7	EIA Decree Proroga	ID_VIP_4993_Parere_SCVIA_n_128 (1).pdf MATTM_2020-0094513 (1).pdf	April 23, 2021
8	Province Benevento for cable duct line concession	UFFICIALE.2020.0017445_disciplinare.pdf p_bn.REGISTRO UFFICIALE.2020.0017474_disciplinare.pdf p_bn.REGISTRO UFFICIALE.2020.0017314_disciplinare.pdf	April 23, 2021
9	Extension of the deadline for the application of the 1% reduction of the tariff referred to in Article 7.3.a for plants registered in a useful position in the rankings formed pursuant to the third auction	Delibera Consiglio dei Ministri 31/01/2020, Delibera Consiglio dei Ministri 29/07/2020, Delibera Consiglio dei Ministri del 07/10/2020, Delibera Consiglio dei Ministri del 13/01/2021	January 13, 2021
17	Project Schedule updated, August 2021	Renexia Services P.E.C.H.- Programme Sept2021 REV1	August 31, 2021
21	ANAS communication to WTG transporter	ANAS CB - Richiesta Relazione Tecnica	October 11, 2021
23	Clarification email 18.11.2021	Email from Renexia dated 18.11.2021	November 18, 2021

Doc. Ref.	Title	File Name	Version / Date
25	Renexia clarifications	Email received by Renexia's Technical Director	November 24, 2021
26	Project Schedule updated, November 2021	211130_report costruzione Casalduni.pdf	November 30, 2021
27	Renexia clarifications	Email received by Renexia's Technical Director	December 15, 2021
28	Project Schedule updated, February 2022	Renexia Services P.E.C.H.- Programme Feb2022 rev (002)	February 17, 2022
29	Construction Report January 2022	220131_report costruzione Casalduni (002)	February 17, 2022
30	Construction Report February 2022	220228_report costruzione Casalduni	March 11, 2022
31	Construction Report March 2022	220331_report costruzione Casalduni	April 20, 2022
32	Transitability report to ANAS Campobasso	RELAZIONE DI TRANSITABILITA' ANAS MOLISE_REV01.pdf	April 8, 2022
33	Local verification report for 14 viaducts	G13701A - RT-01 - RELAZIONE TECNICA.pdf	April 8, 2022
34	Construction Report April 2022	220430_report costruzione Casalduni.pdf	May 10, 2022
35	Partial time schedule, April 2022 update	PECH - Crono xls Aprile 22.pdf	May 10, 2022
36	Construction Report May 2022	220531_report costruzione Casalduni.pdf	June 8, 2022
37	Project Schedule updated, June 2022	Renexia Services P.E.C.H.- Programme 30GIU22.pdf	June 30, 2022
38	Construction Report June 2022	220630_report costruzione Casalduni.pdf	July 11, 2022
39	ANAS Authorization	014676 MOLISE.pdf	July 20, 2022

Abbreviations

BOP	Balance of Plant
CAPEX	Capital Expenditures
COD	Commercial Operation Date
EXW	EX Works (<i>Franco Fabbrica</i>)
HV	High Voltage
IEC	International Electrotechnical Commission
kW	Kilowatt
kWh	Kilowatt-hour
LD	Liquidated Damage
LV	Low Voltage
MCR	Major Components Replacement
MLA	Mandated Lead Arranger
MP	Monopile
MW	Megawatt (1,000 kW)
MWh	Megawatt-hour (1,000 kWh)
MV	Medium Voltage
O&M	Operation and Maintenance
PC	Project Company
SCADA	Supervision Control and Data Acquisition
TA	Technical Advisor
TOC	Take Over Certificate
VAT	Value Added Tax
WF	Wind Farm
WTG	Wind Turbine Generator