



Casalduni 34.7 MW Wind Farm, Campania, Italy

Parco Eolico Casalduni House S.r.l.

Contact



Fichtner Italia S.r.l.
Via XII Ottobre 2/41
16121 Genova

Foro Bonaparte 55
20121 Milano

www.fichtner.de/en/



Francesco Gennaro

+39 010 5956 902 ext 209
francesco.gennaro@fichtner.it

Fichtner Italia Srl

Document approval

	Name	Signature	Position	Date
Prepared by:	S. Prato M. Canevello		Consultant Engineers	27.04.2022
Checked by:	F. Gennaro		Project Manager	28.04.2022

Document revision record

Rev.	Date	Details of revision	Fichtner Doc Ref.	Prepared by	Checked by
0	03.2022	Rev. 0	RP 22 078_F454	Fichtner Italia	Fichtner Italia

Disclaimer

This document has been prepared by Fichtner within the framework of a Contract which defines the scope and use of such document as well as the responsibilities borne by Fichtner with respect to the information contained therein. The distribution of this document to different parties and/or the application of the document or of the information contained therein to a different scope or use as provided for in the Contract is forbidden and Fichtner shall not be responsible for such other scope or use. Should the documents be even partially modified, the use of the Fichtner logo, formats and letterheads is prohibited.

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 March 31, 2022.

Table of Contents

- 1 Executive Summary5
- 2 Background8
- 3 Introduction9
- 4 Contractual structure..... 10
 - 4.1 Project Organizational Chart..... 11
- 5 Overall Project schedule 12
- 6 Project Progress 18
- 7 Budget..... 19
- 8 Permitting and Lands rights 21
 - 8.1 Permitting 21
 - 8.2 Lands rights..... 21
- 9 HSE 23
- 10 Site Visit..... 24
- 11 Other Pictures..... 25
 - Key References..... 27
 - Abbreviations 29

1 Executive Summary

This construction report covers the period of March 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 April 21, 2022.

Overall Progress

Due to a landslide on the SS90, Km 48 + 500 that prevent the WTGs from following the originally planned route the works have faced a delay compared to the initial schedule. SGRE has found an alternative route (starting from the Barletta port, in Apulia) in order to plan the delivery of WTGs to the construction site.

ANAS Campobasso got in touch with the transporter providing its list of infrastructures to be included in the technical report that the technician of SGRE and the transport company will have to provide.

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 (sub-contractor SGRE for the transportation) is still currently dialogue with ANAS Campobasso. It has been already provided 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. 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. The investigation began on February 7 and was completed on Friday, February 18, 2022 as scheduled. An official E-Mail (pec-email) was sent to ANAS CB informing them of the closure of the "construction site" on the bridges.

These works were completed in the reference period. The transitability report (first level), updated with the new diagrams and the verification of the "Passo di Vinchiatura" Viaduct, and the technical report for the local verification of the 14 viaducts was sent by SGRE to ANAS CB in the first days of April 2022.

The transitability report confirms the technical feasibility of the transport on the path from Barletta port to Casalduni construction site. The local verification report for the 14 viaducts states that the material resistance utilization rate, calculated in conservative conditions, does not exceed the limit values. Currently, ANAS feedback on the reports is awaited.

Medium voltage and Fiber Optics cables have been unloaded at the Casalduni site [30].

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. The authorization-concession decree no. 1234 of 11 March 2022, relating to the laying of a medium voltage underground cable duct, was obtained from the municipality of Casalduni.

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 claims they 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.

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

So far, in accordance with the main activities planned at the beginning of the works, progresses are related to the following:

- The Executive Project of the Electrical Substation was completed, as also foundations' design was finalized. It is foreseen to deposit the Executive Project to Genio Civile within July 2021.
- UXO test (Unexploded Ordnances): both the first and the second partial explosive ordinance clearance testing were obtained.
- Archaeological surveys: archaeological assistance with the University of Salerno and other archaeologists will be started along with the start of activities expected to be in the end of May/early July 2021 [3]; birdlife monitoring activities have been contracted.
- Foundations: Seismic authorization obtained for 8 WTGs. The additional documents required by the *Genio Civile* for WTG03 and WTG18 have been conducted in April, and the seismic authorisation was obtained on May 4, 2021. Seismic authorisation for the Electrical Substation was obtained in January 2022.

Moreover, it has been stipulated a contract with Siemens for the electromechanical supply. In relation to contracts, the Client foreseen to sign contracts with the suppliers for the following materials/works:

- Supply MV and F.O. cables (Nexans)
- Supply and laying HV cables
- Supply Concrete – Plinth and Piles
- Supply Additives – Foundations
- Supply Cave dry materials (signed)
- Subcontract earth moving (signed)
- Subcontract Treatment at lime
- Subcontract Piles (signed)
- Subcontract Carpenter (signed)
- Subcontract prefabricated cabins in SS (signed)

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 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 September 12, 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 costs are related to the advance payment EPC occurred in July 2019 and the WTG Contract/SSE Contract stipulated in December 2020, as well as the Cable Supply Contract in February 2021, the 5 WTG EXW and the Transformer EXW milestone of December 2021, for a total amount of 33,705.6 k€, 80% of the total CAPEX.

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 needed¹.
- 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

To be planned in accordance with new Time Schedule / progress of site activities. Considering the start of works within March 2022, the site visit is envisaged to be performed in the vicinity of that date.

¹ 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 RTN² 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

² "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:

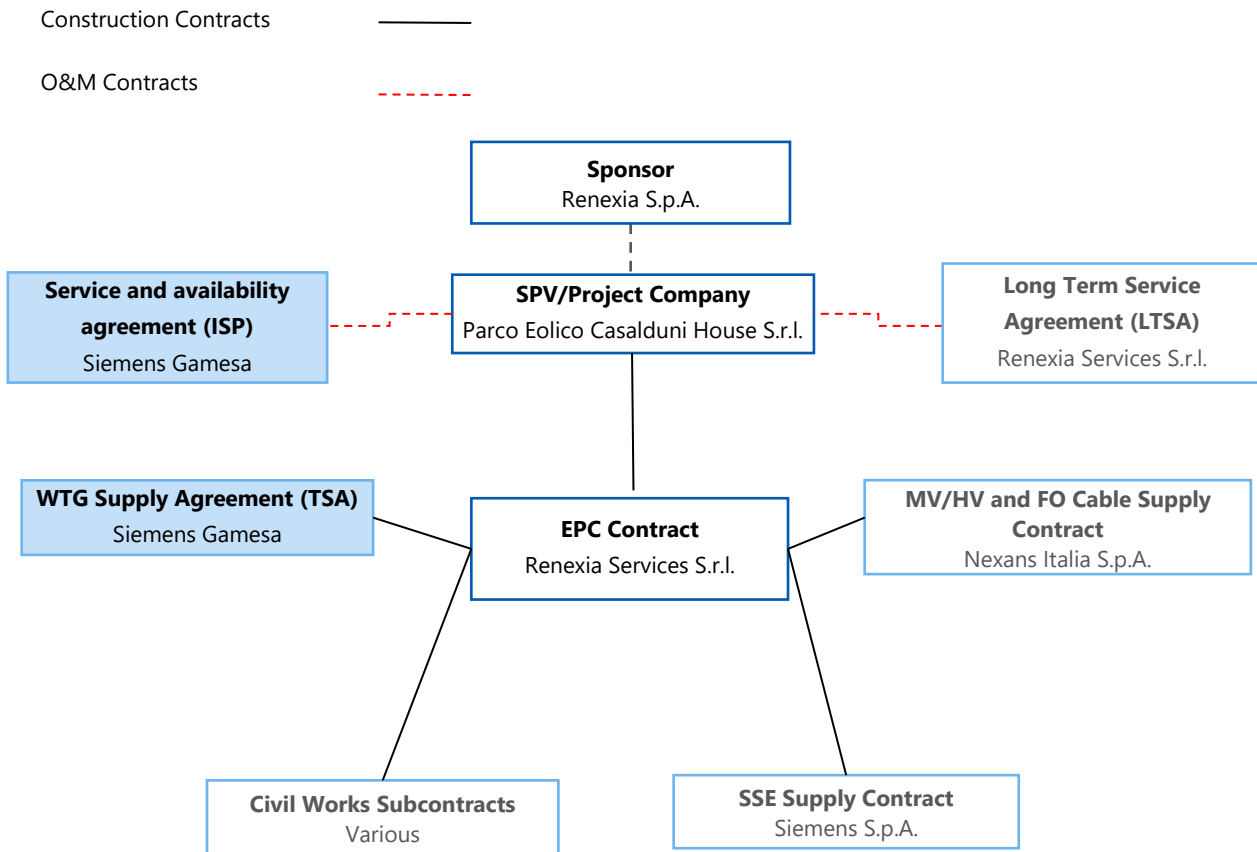


Table 4-1: Casalduni WTG Project Contracts

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:

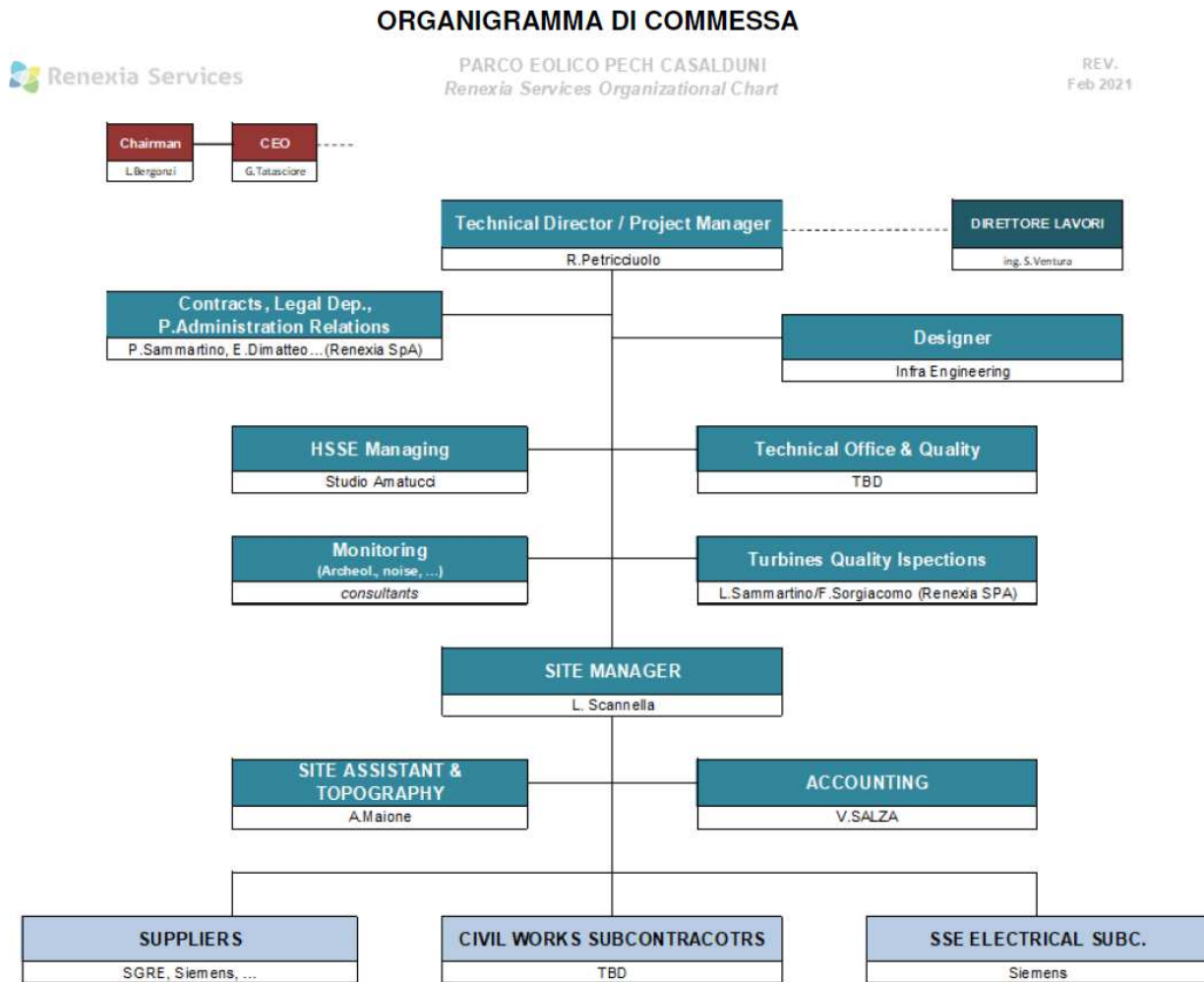


Table 4-2: Project Organizational Chart of EPC Contractor

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]. This section also integrates some recent updates received from the Sponsor in the vicinity of the emission date of the present report, which will require further updates to the project Schedule

Event	Planned Schedule [2]	Updated Schedule Feb 22 [28]	Update Schedule and TA's comments
Construction Contracts	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	
Start of Site Works	In the mid of May 2021	May, 2022 [Delay: 12 months]	<p>Renexia stated that Site Works will start at the beginning of May 2022.</p> <p>The delay is due, according to Renexia, to a landslide on the SS90, Km 48 + 500 that stopped the delivery of materials by the manufacturer SGRE after contacts and meetings on November 16, 2021 ANAS sent the transportation conditions report 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>As informed by the Sponsor [25] [26], SAE company (sub-contractor SGRE for the transportation), is still currently dialogue with ANAS Campobasso. A first survey of the infrastructures present along the proposed alternative route has been already provided and a report of the bridges affected by the transit and subsequent additions has been prepared.</p> <p>ANAS has approved the plan of proposed investigations on some of the structures. The investigation began on February 7 and was completed on Friday, February 18, 2022 as scheduled.</p>

			<p>An official email (pec-email) was sent to ANAS CB informing them of the closure of the "construction site" on the bridges.</p> <p>The analysis laboratory in charge is carrying out the appropriate studies on the materials extracted from the bridges. These works are expected to be completed by March 31, 2022 (week 13) in order to have all the data to be share with ANAS CB [29] [30].</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> <p>As per Sponsor update, the Environmental Monitoring Plan gathering ARPAC request of modifications was sent to ARPAC. The Sponsor foresees to have green light March and to receive in parallel the permit for MV cable installation from the Municipality. Based on this, they envisage the formal start of the works "inizio lavori" by May.</p>
WTGs delivery on site	From 09/09/2021 to 15/12/2021	July 2022 [Delay: 8 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 delays that have accumulated to date on the transport issue, the delivery of the first turbine to the construction site is currently estimated for mid-July 2022. An update of the contract schedule is being</p>

			discussed with SGRE and will be transmitted as soon as it is finalized [31].
MV Cables delivery on site	31/03/2021	Done	<p>The MV Cable delivery on site is foreseen in April 2022, a delay of 12 months is observed on this procurement item, due to the delay on WTG delivery.</p> <p>All MV and Fiber Optic cables were unloaded at the Casalduni site in the reference period [31].</p>
HV Cables delivery on site	1/09/2021	April 2022 [Delay: 7 months]	The MV Cable delivery on site is foreseen until April 2022, a delay of 7 months is observed on this procurement item, due to the delay on WTG delivery.
WTGs foundation completion	6/10/2021	June 2022 (to be updated with new Schedule)	<p>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.</p> <p>The scheduling of this activity will be updated by the Sponsor, based on the new expected date of WTG delivery on site (starting from July 2022).</p>
20/150kV SSE Energization	10/11/2021	From August 1 to 5, 2022 (to be updated with new Schedule)	<p>The energization of the Electrical Substation is foreseen in August 2022, with a delay of 9 months on the originally planned schedule and of 4 months on the last schedule update (September 2021).</p> <p>The scheduling of this activity will be updated by the Sponsor, based on the new expected date of WTG delivery on site (starting from July 2022).</p>
MV Cables and F.O: installation	From to 13/05/2021 to 27/10/2021	From April to September 2022 (to be updated with new Schedule)	<p>Carried out by Nexans Italia S.r.l.</p> <p>Due to delay in WTG delivery, in analogy with WTG foundation completion.</p> <p>The scheduling of this activity will be updated by the Sponsor, based on the new</p>

			expected date of WTG delivery on site (starting from July 2022).
WTGs Erection	15/12/2021	From August to September 2022 (to be updated with new Schedule)	The erection of all WTGs will be completed in September 2022. The scheduling of this activity will be updated by the Sponsor, based on the new expected date of WTG delivery on site (starting from July 2022).
Mechanical Completion WTGs	From 14/10/2021 to 19/01/2022	From September to October 2022 (to be updated with new Schedule)	Due to delay in WTG delivery. The scheduling of this activity will be updated by the Sponsor, based on the new expected date of WTG delivery on site (starting from July 2022).
WTGs Energization	From 16/12/2021 to 26/01/2022	Expected at the end of WTGs erection phase - September October 2022 (to be updated with new Schedule)	According to the new schedule, the first WTG Energisation will occur on August 30, 2022 The scheduling of this activity will be updated by the Sponsor, based on the new expected date of WTG delivery on site (starting from July 2022).
WTGs trial tests	From 27/01/2022 to 23/03/2022	From October to November 2022 (to be updated with new Schedule)	The test run of the WTGs will be completed at the end of November 2022. The scheduling of this activity will be updated by the Sponsor, based on the new expected date of WTG delivery on site (starting from July 2022).
WTGs Take Over	From 17/03/2022 to 20/04/2022	From November 2022 to January 2023 (to be updated with new Schedule)	The WTGs Take Over is foreseen to be finalized on January 16, 2023 The scheduling of this activity will be updated by the Sponsor, based on the new expected date of WTG delivery on site (starting from July 2022).
Wind Farm Take Over	27/04/2022	January 2023 (to be updated with new Schedule)	The TO is foreseen to be on January 23, 2023 and will be achieved following the final inspection.

			The scheduling of this activity will be updated by the Sponsor, based on the new expected date of WTG delivery on site (starting from July 2022).
--	--	--	---

For the transportation topic, based on the available documentation, the alternative route appears feasible even though around 100 km longer than the original one. This might entail an increase in WTG transportation cost, which however the TA estimates as a minor drawback and anyway on the EPC contractor responsibility.

The Sponsor informed that, in order to demonstrate route feasibility and delivery of all components to each installation location, additional inspection and testing is required prior to the start of transportation. As a matter of fact, ANAS Campobasso got in touch with the transporter [21] at the beginning of October, providing its list of infrastructures to be included in the technical report that the technician of SGRE and the transport company (SAE) will have to provide.

Risk low | #1 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]. As informed by the Sponsor [25], SAE is currently dialogue with ANAS Campobasso and provided a first survey of the infrastructures present along the route. There have been several meetings with ANAS Campobasso for the necessary verifications along the route indicated as a possible alternative to the project route. 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 works were completed in the reference period. The transitability report and the technical report for the local verification of the 14 viaducts was sent by SGRE to ANAS CB in the first days of April 2022. Currently, ANAS feedback on the report is awaited. [31]

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, ³Renexia 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.

³ email and call held on 17/03/2022

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.

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

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 31/12/2021⁴) 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 September 12, 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.

⁴ As per GSE website <https://www.gse.it/emergenza-covid-19>

6 Project Progress

The activities carried out so far can be summarized as follows:

- Completion of WTG executive design and seismic deposit, seismic authorisation awaited within January. Ex Works of 10 WTGs out of 10
- 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 carried out, deposit performed.

In the Reference Period (March 2022):

- Siemens materials (nacelles, hub and tower) are stored in Spain waiting to be shipped to the port of Barletta;
- Transport authorization to be finally received. ANAS has approved the plan of proposed investigations on some of the structures. along the alternative transport route. The investigation began on February 7 and was completed on Friday, February 18, 2022 as scheduled. An official email (pec-email) was sent to ANAS CB informing them of the closure of the "construction site" on the bridges. The analysis laboratory in charge is carrying out the appropriate studies on the materials extracted from the bridges. These works were completed in the reference period. The transitability report (first level), updated with the new diagrams and the verification of the "Passo di Vinchiatturo" Viaduct, and the technical report for the local verification of the 14 viaducts was sent by SGRE to ANAS CB in the first days of April 2022. The transitability report confirms the technical feasibility of the transport on the path from Barletta port to Casalduni construction site, in exclusive mode (i.e. without any other vehicles on the road, and under specific technical conditions). [32] The local verification report for the 14 viaducts states that the material resistance utilization rate, calculated in conservative conditions, does not exceed the limit values. [33] Currently, ANAS feedback on the report is awaited.⁵
- All MV and Fiber Optic cables were unloaded at the Casalduni site.
- UXO clearance of the temporary areas is ongoing: the upper area (areas adjacent to WTGs 8 to 18) is being completed and the clearance of the temporary areas associated with WTGs 3 to 5 is scheduled for April 2022.

⁵ As per clarification email by the Sponsor sent on 08/04/2022

7 Budget

Information n.a. | #1The 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 September 2021[26]. The TA notes that budget milestones' dates not achieved shall be updated considering the latest Schedule updated in February 2022 [28] [30].

Month	SAL [k€]	%	Milestone
Milestones achieved			
4 July 2019	10,954.3	26.0%	Advance payment EPC
Oct-19	-	0.0%	
Nov-19	-	0.0%	
Dec-19	-	0.0%	
FY19	10,954.3	26.0%	
Jul-20	-	0.0%	
Aug-20	-	0.0%	
Sep-20	-	0.0%	
Oct-20	-	0.0%	
Nov-20	-	0.0%	
Dec-20	1,053.3	2.5%	WTG Contract/SSE Contract
FY20	1,053.3	2.5%	
Jan-21	-	0.0%	
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
Jul-21	-	0.0%	
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 (to be updated)	1,264.0	3.0%	WTG Foundation completed – MW Cable and FO installation completed
Aug-22 (to be updated)	1,264.0	3.0%	SSE Energization/Mechanical completion
Oct-22 (to be updated)	842.6	2.0%	Definitive Platform and Roads completed
Nov-22 (to be updated)	4,213.2	10.0%	Provisional Acceptance Certificate
FY22	8,426.4	20.0%	

Tabella 7-1: EPC Contract Milestones status

No milestone payment was met in the reference period.

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 will rise to € 25.5k per blade per month.

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 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.

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

The first partial testing BOB (UXO-unexploded ordinance) was obtained with issuance of the report of partial validation number 34 on January 25, 2021.

For the small areas occupied by SSE and WTG04 and the municipality roads, the submission of the request for second partial UXO test was carried out, and the UXO test was executed on May 20, 2021 [1], followed by the issuance of the report of partial validation number 226 on May 24, 2021.

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.

The obtainment of the EIA Decree of *Proroga* was on date March 24, 2021 [7], which acquired the positive opinions from the EIA commission of the MATTM and MIBACT. Within July the MITE (former MATTM) is expected to comply with the Decree of EIA Extension. After the compliance, site works will be initiated

The EIA Extension measure foresees a series of prescriptions to be fulfilled in various phases, as better identified in the environmental condition 1 of the relative CTVA Opinion no. 128 of 11/12/2020. With regard to the requirements preparatory to the start of works, with MiTE Directorial Determination no. 8 of 13/01/2022, on the basis of the CTVA Opinion no. 399 of 14/12/2021 acknowledged therein, a positive outcome of the verification of compliance was obtained.

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

The private parcels affected by the project were acquired through notary agreements already in August 2020. The payments related to the lands of the owners and/or deposit to MEF are at the phase of conclusion (90% of the payment done). Bearing in mind that they have a limited validity (2 years), the Sponsor preferred to delay the last 10% outstanding payments, completing them in relation to the start of the works. The notices to the companies were sent on February 3, the publications at the municipalities

concerned have been made and the actual procedures for taking possession for the purposes of temporary occupation will be carried out on March 9, 10, 11 and 12, 2022. A detailed and updated report of the payments will be shared later by Renexia [3].

The land rights for provisional areas – mainly relative to the access of exceptional transport carriers - are foreseen to be completed between May-June, based on the works progress in the construction site, in order not to impact major site activities [3].

Province of Benevento: the concessions for cable duct installation were obtained on July 17, 2020 [8] and the related works for external roads adjustment on February 5, 2021 [5]

Pontelandolfo Municipality: the authorization for laying the cable duct was obtained on April 15, 2021 [4].

Casalduni Municipality: the authorization for the cable duct line is awaited [3].

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 site visit is envisaged to be performed in May.

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, shared by the Sponsor, are attached [28]:

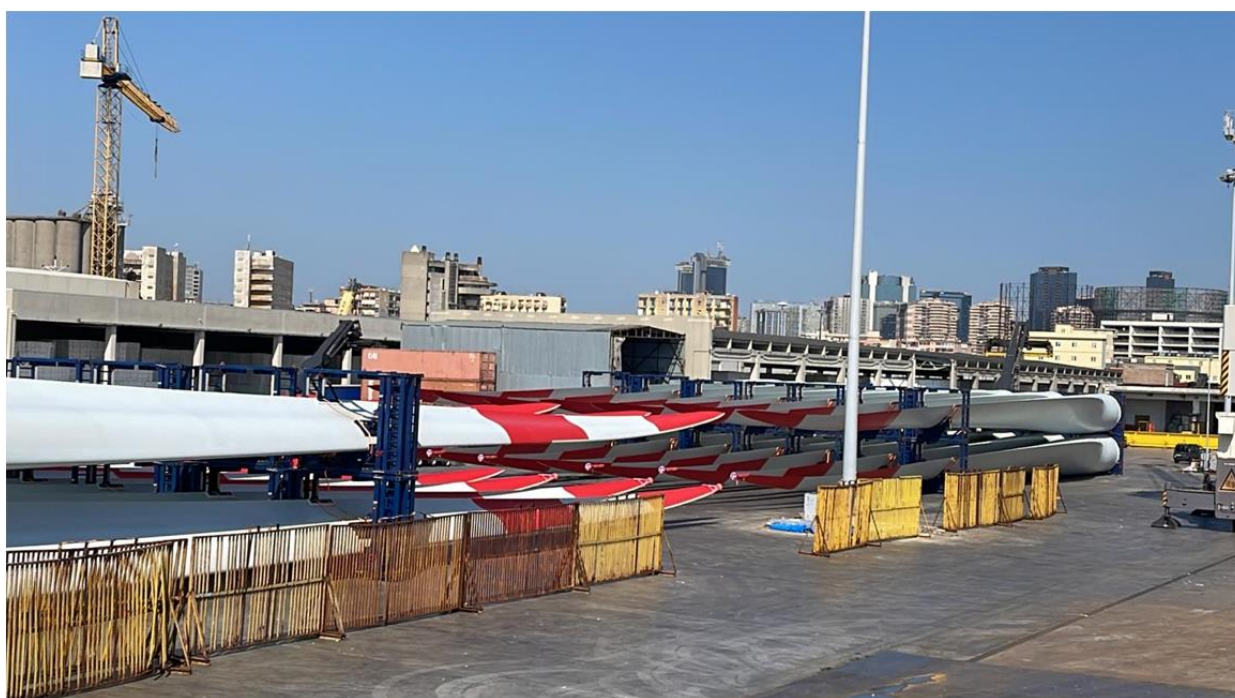


Figure 11-1 - WTG Blades at the port of Naples



Figure 11-2 - Start of MV Cable delivery activities at site



Figure 11-3 - 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
25	Renexia clarifications	Email received by Renexia's Technical Director	November 24, 2021

Doc. Ref.	Title	File Name	Version / Date
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

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