

Renewable Electricity in PNG:

Opportunities and Challenges

Dirio Gas & Power Company Limited

Agenda



- PNG Context
- 2 Renewable Resources
- 3 Achieving PNG's Targets
- 4 Wrap Up



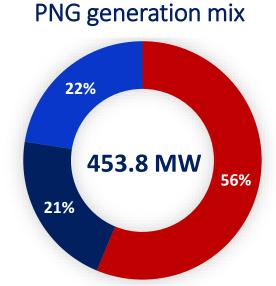


National Energy Policy Targets

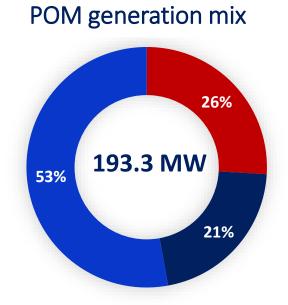






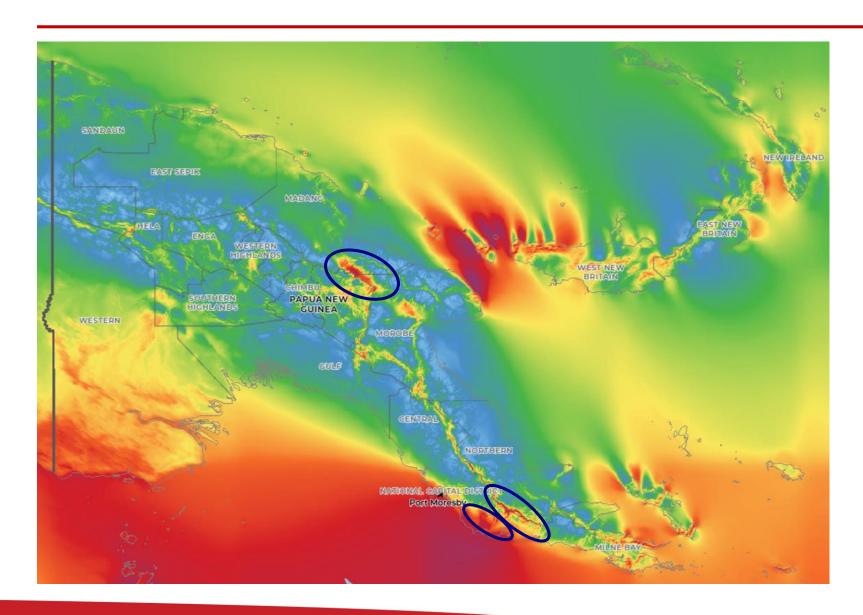








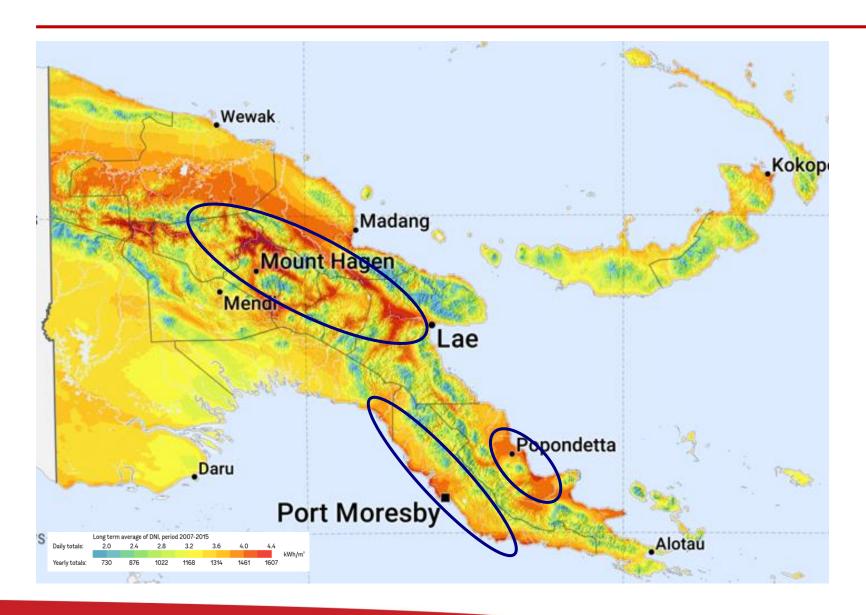
Wind Resources







Solar Resources

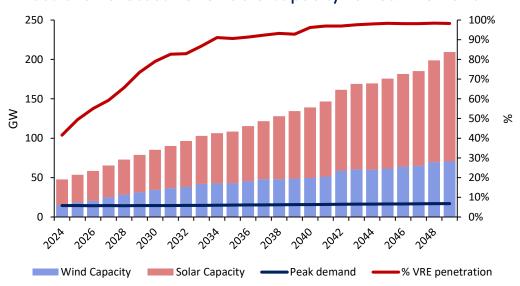




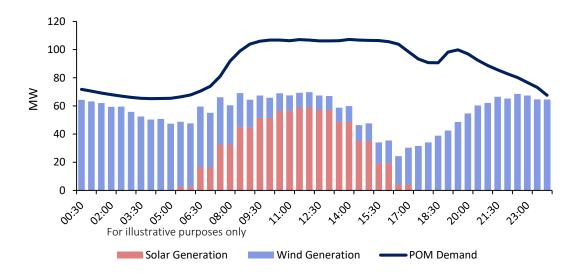


Achieving PNG's targets

Australia Forecast Renewable Capacity vs Peak Demand



POM: Current State comparison to NEM





Challenges for PNG market

Development market maturity **Network constraints** Insufficient experienced developers in Significant transmission market to deliver required capacity due to infrastructure required to facilitate (B) lack of certainty around revenues and decentralised grid build times Key **Challenges** Lack of diversification Uncertain demand growth Single vertically integrated network Difficulty forecasting growth in provider and retailer constrains demand due to substantial portion investment given lack of competition of population currently without throughout full supply chain access to electricity

Opportunities

- Diversification and disaggregation throughout supply chain
- Development of isolated networks with aim to interconnect with larger networks over time
- Build out Distributed Energy Resources (DER) such as demand response and rooftop PV







Scale of investment — significant level of investment required to reach targets



Supply chain — diversification and disaggregation throughout the electricity supply chain



Investment incentives — providing incentive for investors to kickstart self-driven development market



Dirio's role — to utilise Papua New Guinea's natural resources to provide affordable, reliable, and sustainable electricity across PNG and the Pacific



James Nelson Chief Executive Officer Dirio Gas & Power Company

