

Assessment 3 Information

Subject Code:	MBA643		
Subject Name:	Project Initiation, Planning and Execution		
Assessment Title:	Individual Report		
Assessment Type:	Report		
Word Count:	1000	Words	(+/-10%)
Weighting:	40 %		
Total Marks:	40		
Submission:	Via Turnitin,		
Due Date:	Monday, Week 13, 23:55pm AEDT		

Your Task

This assessment is made up of two parts:

- **Part A** students are asked to imagine they have been engaged by a **Renewable Energy (utilities) company** to develop a report on key aspects of project risk management and how they might be used in proposed future projects in order to manage and limit risk.

In Part A you are asked to write a report based on one of the below companies:

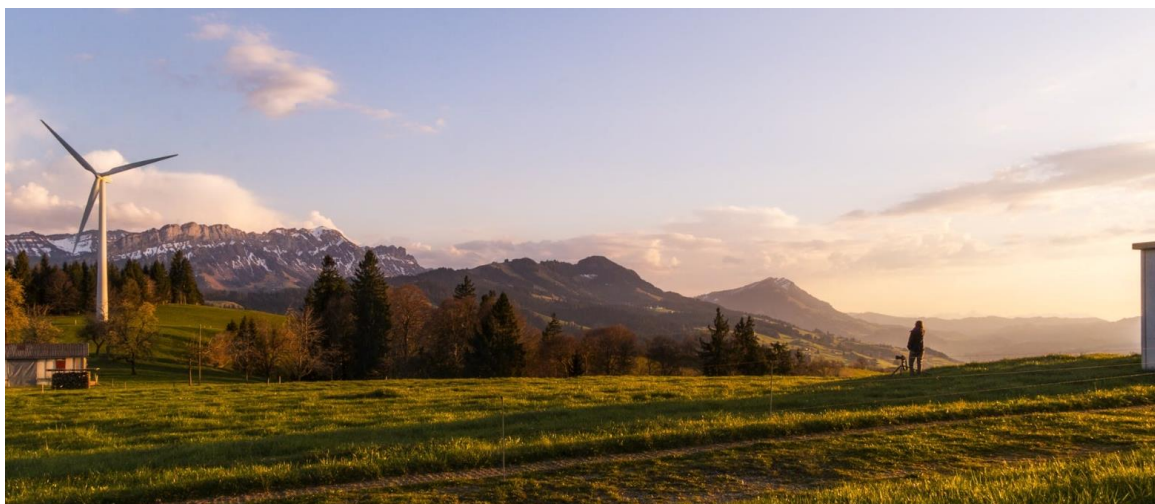
Infigenenergy: <https://www.infigenenergy.com/>

Tilt Renewables: <https://www.tiltrenewables.com/>

The company you will analyse will depend on the **LAST digit of your student number**:

- 0 and 5 = Infigenenergy
- 6 and 9 = Tilt Renewables

- In **Part B** you are asked to conduct a capital budgeting analysis for the second company Tilt Renewables. Answer the short answer questions.





Assessment Description

PART A (20 marks)

The report should begin with a short executive summary and conclude with several, short general recommendations. The content you include in the report should link the project management principles detailed below with the practices of the **renewable energy company you have been allocated**.

The topics on which students need to make recommendations in their report include:

- i) **Project selection** – How should the company you select determine what projects to undertake and what ones to avoid? What tools, measures, and practices are available to project analysts in this industry?
- ii) **Cost management** – What is the role of project cost management for your chosen company? Why is it important? What strategies or approaches should the company you have chosen adopt in order to effectively manage project costs?
- iii) **Funding** – What funding measures or options are generally available to assist companies like the one you have chosen to fund proposed new projects? The report should include reference to any implications associated with different funding types or models.
- iv) **Implementation and winding up** – Are there any particular issues associated with commencing a project that your company must consider? Why are they important? Who do they impact or affect? What happens when the project finishes? How are projects wound up? Do they just end or are there resource or infrastructure considerations? Are there environmental issues associated with the end of a project?

Where possible, students should **relate each section back to the renewable energy company they have been allocated**. The executive summary should bring together general recommendations for the student's chosen company relating to i)-iv).

Students should provide between 100-200 words per topic, together with approximately 200 words in total for the executive summary and final recommendations.



PART B (20 marks)

Consider the following **three sources** and answer the following questions directly. You do not need to write a lot for each question and for some you will need to use excel calculations. Submit your excel spreadsheet together with your report in the **separate submission inbox on the assessment table**.

Source 1: Tilt Renewables Snowtown North Solar Energy Farm

<https://www.tiltrenewables.com/assets-and-projects/Snowtown-North-Solar-Energy-Farm/>

Source 2: Tilt Renewables (TLT.NZ) Yahoo Finance

<https://au.finance.yahoo.com/quote/TLT.NZ/>

Source 3: Tilt Renewables Financials

<https://au.finance.yahoo.com/quote/TLT.NZ/financials?p=TLT.NZ>

You have been employed as a project manager by Tilt Renewables and asked to evaluate a solar farm project at Snowtown run by Tilt Energy (See Source 1).

You have been asked to evaluate whether Tilt Renewables should undertake the Snowtown North Solar Energy Farm based on the above sources. Assume this project has not yet been approved.

- Assume this is a twenty-five-year project.
 - Consult source 1 for the estimated initial outlay/investment today (year 0)
 - The investment will be depreciated on a straight-line basis over twenty five years to 0 book value. It is estimated that the solar farm can be sold at the end of year 25 for \$10 million.
 - The solar farm will sell \$10,000,000 worth of electricity each year into the grid from year 1-25
 - Operating expenses for 25 years are \$5 per solar panel per year (see number of solar panels from Source 1)
 - The tax rate is 30%. All cash flows are annual and are received at the end of the year. The discount rate is 10%.
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- a) Based on the above information calculate the FCFs of the project. (10 marks)
 - b) Calculate the NPV for the solar farm. Should Tilt Renewables undertake this project? (5 marks)
 - c) Does the NPV take into account the CO2 emission reductions that the project will lead to (See Source 1)? Should it take this into account? Why or why not? (2 marks)
 - d) What is the debt to equity ratio in 2019 of Tilt Renewables according to source 3? How does this compare to other utility companies? What is the current share price according to Source 2 and when were shares first issued? (3 marks)



Assessment Rubric (Part A)

The following rubric will be used for Part A. Part B will be marked based on your responses to each question.

<u>Integrate</u> project management theory with real-world company practices to make actionable recommendations on below topics		
Criteria	Requirement	Marks Available
i) Project Selection	<p>Describe tools and practices used to select a project for the chosen company.</p> <p>Analyse an example of the practices used by your chosen company to select between projects.</p> <p>200-400 words</p>	3 marks
ii) Cost Management	<p>Describe the role and importance of a cost manager and strategies to manage project costs.</p> <p>Recommend cost management strategies that your company should undertake with reference to theory and real-world data</p> <p>200-400 words</p>	4 marks
iii) Funding	<p>Describe the sources of funding for projects and the benefits or costs of that funding (see topic 8).</p> <p>Evaluate what funding options are available to your chosen company and determine the implications of these options.</p> <p>200-400 words</p>	4 marks
iv) Implementation and winding up	<p>Outline the process and issues associated with starting and finishing a project.</p> <p>Evaluate resource, infrastructure and environmental issues to do with your company's project implementations and make any relevant recommendations.</p> <p>200-400 words</p>	4 marks

Summarise recommendations for project risk management for your company with reference to the analysis conducted in the relevant topics		
Executive Summary, Conclusion and Recommendation	<p><i>The summary should briefly describe the main issues you identified in each section BUT MOST IMPORTANTLY recommend to your chosen company the main things they MUST consider when managing/limiting risk in a project.</i></p> <p><i>This is about applying what you have learnt to ADVISE what key things they need to focus on</i></p>	3 marks
Conduct relevant research of project management literature and market data and information relevant to your company. Acknowledge your sources.		
Appropriate in-text Harvard Referencing and reference list	<p><i>You must reference in text and have a reference list at the end of your assignment.</i></p> <p><i>See Harvard referencing guide on Academic Success Centre portal page.</i></p>	2 marks



Important Study Information

Academic Integrity Policy

KBS values **academic integrity**. All students must understand the meaning and consequences of cheating, plagiarism and other academic offences under the Academic Integrity and Conduct Policy.

What is academic integrity and misconduct?

What are the penalties for academic misconduct?

What are the late penalties?

How can I appeal my grade?

Click here for answers to these questions:

<http://www.kbs.edu.au/current-students/student-policies/>.

Word Limits for Written Assessments

Submissions that exceed the word limit by more than 10% will cease to be marked from the point at which that limit is exceeded.

Study Assistance

Students may seek study assistance from their local Academic Learning Advisor or refer to the resources on the MyKBS Academic Success Centre page. Click [here](#) for this information.