

## In the spotlight

# Powering the future: LGI Limited

Damon Kitney, *Columnist*

Jarryd Doran and Dean Wilkinson proudly call themselves “NEM nerds”.

There are two of 10 among the staff of the Brisbane-based renewable energy firm called LGI Ltd - whose trademark technology is recovering biogas from landfill and converting it into renewable electricity and environmental products.

“We even have our own chat group called ‘NEM nerds’ where a group of us share articles about the National Energy Market (NEM). I would say all of us in the group are obsessed about it. There is real human emotion around all the things happening in the energy sector. Every day there is something new to learn and wrap your head around,” says Doran, LGI’s chief operating officer.

“Even on a holiday or a weekend, I’m still looking at energy pricing and the things happening in our business.”

Doran this year celebrates 10 years working with LGI, which was founded by managing director Adam Bloomer in 2009 to provide biogas solutions to landfill sites in regional Australia.

LGI now has nearly 30 projects across Queensland, NSW and the Australian Capital Territory and its businesses include installing power generation systems on landfill sites and selling power into the national electricity market, trading ACCUs and operating biogas extraction systems under contracts.

Before LGI, Wilkinson spent a decade working in commercial roles involving energy distribution and notably, coal fired electricity generation. But he is now immensely proud of turning green.

“I really like the idea I have been working for nearly a decade with a renewable energy company. Contributing to the energy transition personally gets me out of bed everyday,” he says.

Since raising \$25 million in an initial public offering on the Australian Securities Exchange in early October last year, which valued the company at \$180m, LGI shares have risen over 70 per cent.

The float - a rarity in corporate Australia over the past 18 months - has been a boon for the executive team, which owns 55 per cent of the stock, and high net worth investors such as Laguna Bay Pastoral Company chief executive Tim McGavin who invested with Adam Bloomer as LGI’s cornerstone backer in 2011.

Joining the firm for the float as its inaugural listed company chairman was former Cleanaway boss Vik Bansal.

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“We have found it enjoyable seeing the interest not only in our business but the sector we operate in. Society has learned a lot in recent years and there is now a general sentiment that something should be done about global warming and greenhouse gas emissions,” Doran says.

He notes that methane is 28 times more damaging to the atmosphere than CO<sub>2</sub> and landfill sites can leak damaging methane into the atmosphere for decades.

“You are no longer talking about the why as much. The conversation can focus on what we can achieve and what we can deliver.”

Dean Wilkinson, the firm’s chief financial officer who has been with LGI for six years and says he has “put 30 years of commercial management experience towards preserving our beautiful planet” for his three children, believes the capital raising has allowed the company to progress projects faster, which has caught the eye of investors.

“There has been a lot of interest in our company because there is a desire from investors to invest in renewable energy and carbon abatement,” he says.

LGI now wants to expand its landfill biogas portfolio and transition other sites to hybrid projects that would include battery storage and solar generation.

“The exciting part of growing the existing portfolio is bringing in new technology such as batteries and solar when it is complementary to what we are already doing,” Doran says.

LGI is currently working on its first project incorporating a Tesla mega battery pack in conjunction with “hybridising” an existing power station.

“That will put us in a really unique position because the batteries offer instantaneous response time to the energy market, which is becoming a lot more volatile,” he says.

“We see potential to bring batteries into all our existing power stations and we also see the potential to add more biogas fuel generation (or hybridising) to existing sites.”

The firm has also identified 200 new landfill sites suited its business model that make potential acquisition opportunities.

“So with the discipline of having our business development team out in the market and interacting with the operators of those sites, we are quite confident we will see some come to market for us to bid for. We will be very aggressive in putting forward commercial offers,” Doran says.

He describes the secret cause of LGI’s culture as “curiosity” and a willingness to pivot the business model, especially to embrace new technology.

“No one landfill is the same. You can bring a design prototype, but as things may not be playing out as you expected and you are not getting the gas you expected, it requires curiosity to dig into that.

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To unpack it. So we have a healthy process around trying things, learning from them and moving on," he says.

He points to the company's experimentation with micro turbine generation technology, which it abandoned in favour of using reciprocating gas engines, as an example of its willingness to pivot.

LGI also pioneered the manufacturing of biogas flaring equipment in Australia, which previously was only available from suppliers overseas.

"The other key thing about our values is that we are a people-first enterprise," Dean Wilkinson says.

"We make sure people are looked after and supported. Whether it is through working arrangements or supporting training, it is something front of mind at every board meeting. I have worked in 12 organisations and I have never seen one so supportive of the individuals in it."

While federal and state energy market regulation in recent years has become incredibly complex and is constantly changing depending upon the parties in power, LGI has been determined to get on with business.

"If there is too much fixation on what governments are doing, businesses like ours wouldn't make decisions. But seeing regulatory delays occur actually creates an opportunity for us. We can develop our projects without the complexity that others have. Because we are connected at the distribution level, we are closer to where energy is needed," Doran says.

He says his greatest learning from years of working under Adam Bloomer is well versed and simple motto: perseverance pays.

"Our customers and local governments take their time to make decisions. I am something of an impatient person, so Adam has shown me the benefit of staying calm in those situations," he says.

"If you present a pragmatic solution, you can always work your way through any situation."

Dean Wilkinson says he has been inspired by Bloomer's modern day management skills, which are the antithesis of the old-world command and control mentality. They underpin the ongoing success of LGI.

"Adam has shown me that you can be an outstanding leader without having to be aggressive or being a gorilla," he says. "Being a nice guy can actually help you be successful and achieve your goals."

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