

Submission in support of the Australian Local Power Agency Bill 2021

Repower Shoalhaven, a non-profit community organisation in SE NSW, is strongly supportive of this legislation. Our organisation has been active in developing commercial scale renewable energy projects. To date we have developed 23 community funded solar projects with over 700kW of generation. We are also about to launch a 3MWac solar farm in partnership with a renewable energy company that will include up to \$500,000 in community investment. We have developed these projects with virtually no government support. We could achieve substantially more in our region's communities with a more supportive policy and financing frameworks. 'Much more' is essential in regional Australia for it to be resilient, boost jobs and investment, reduce power bills and enhance the social fabric of local communities.

Repower Shoalhaven has been advocating the creation of renewable energy hubs in NSW. The hubs would provide a much-needed platform and technical support to community groups, businesses and councils to foster adoption of energy efficient technologies and a myriad of clean energy projects. An example is the case of microgrids and community solar gardens. We have investigated this option in a feasibility study with ARENA but found that our group did not have the resources or external support to undertake this type of project. This applies to both managing the relatively large number of investors and also negotiating a power billing/crediting model with energy retailers. Creation of a network of renewable energy hubs, with funding provision for local coordinators, would provide support to community and neighborhood groups wishing to develop local clean energy systems, and also the technical and administrative support needed to make these projects viable (eg robust project models that can be replicated)

An underwriting scheme would be of considerable benefit to developing community renewable energy projects. It is extremely problematic at the moment for community groups to confidently invest in renewable energy, in part due to the short-term volatility of electricity markets. We are aware of a number of projects that, even with some government grant funding, are finding it difficult to ensure the project is viable. Part of that problem is the pricing of wholesale solar generation. The existing electricity market pricing model also does not include the substantial long-term environmental benefits of renewable energy and an underwriting scheme would help overcome this short-term obstacle. Our group is looking at adding battery storage to our future solar projects, but the short-term market volatility makes this investment risky without some price or investment support initially.

We have pioneered a very successful community investment model for renewable energy and have found a great willingness for a diverse range of community members to invest. However, in the absence of the leverage, support and underwriting to be provided by the proposed legislation, Repower Shoalhaven will struggle (as most community energy groups do) to be effective in its mission to develop an extensive network of solar farms and other community based distributed energy systems.

As Australia transitions to a low-carbon economy with a higher proportion of renewable, clean energy, the returns to renewable energy projects will increase. Community ownership also ensures that the profits from these projects stay in the community and enhance the local economy.

The transition to renewable energy provides a range of benefits to local communities including:

- Cost savings on power bills to businesses, council and households
- The chance to invest in environmentally friendly projects
- Stimulate jobs and businesses in the renewable energy sector
- Bring down our greenhouse gas emissions to protect our climate, natural environments and present and future generations of Australians.

We implore you to support this legislation which will boost uptake of clean, community energy for the benefit of all Australians. It is vital because it will enable a far more rapid, robust and locally beneficial de-carbonisation of the Australian economy.

Yours sincerely

Walter Moore – Chair

John Clark – Deputy Chair

John Kubale – Committee Member

Repower Shoalhaven Inc

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