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Friday 15 June 2007

Mr Russell Chafer
The Committee Secretary
House of Representatives Standing Committee
on Industry and Resources
PO Box 6021
Parliament House
CANBERRA ACT 2600

Dear Mr Chafer

CASE STUDIES INTO RENEWABLE ENERGY IN AUSTRALIA

This submission by Verve Energy is in response to the invitation of the Standing Committee of 14 May 2007 to discuss the state of development of selected renewable energy sectors in Australia. The technologies referred to have been developed in Western Australia but are applicable for use anywhere in the world. The Sustainable Energy Group of Verve Energy (formally of Western Power) has had a long and fruitful history in the development of renewable energy projects, as listed in the attached brochure "Renewable Energy in Western Australia".

The contention of this submission is that the development of the renewable energy technologies detailed in the attached wind and bioenergy case studies, have come about through a unique relationship between industry and government granting agencies. This "partnership" has provided financial support for high-risk project development that has spread the upfront commercial risk of the projects. In the case of both technologies, the project designs have focussed strongly on commercial renewable energy generation outcomes.

The first study is:

"A Case Study of Industry and Government Cooperation in Wind/Diesel System Development".

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Over about the last nine years, through the innovation and tenacity of personnel from Verve Energy and Powercorp of Darwin, a reliable and efficient wind/diesel electricity generating system has been developed. However, as indicated above, this project would not have happened if not for grant support, provided by the Australian Greenhouse Office. This reduced the initial financial risk to Verve Energy and facilitated the development and installation of this world-leading technology.

The second study is:

"A Case Study of Industry and Government Cooperation in Bioenergy System Development".

Over about the last seven years, Verve Energy and Enecon Pty Ltd of Melbourne have taken an idea and demonstrated how it can be used to tackle dry-land salinity and offset greenhouse gas emissions, through the construction of an Integrated Wood Processing (IWP) demonstration plant. The process produces a variety of products for sale, including renewable electricity. The next step is the construction of the first commercial IWP plant using what was learned from the demonstration project.

As with the wind/diesel case study, this project would not have happened if it was not for the support of a number of grant bodies such as the Australian Greenhouse Office, AusIndustry and the National Action Plan for Salinity and Water Quality through the Australian and Western Australian governments.

These case studies are great examples of government grant agencies reducing the financial risk that has allowed the renewable energy industry to tackle very worthwhile projects resulting in very positive outcomes.

Attached is:

1. Two hardcopies of the brochure "Renewable energy in Western Australia".
2. A hardcopy of "A Case Study of Industry and Government Cooperation in Wind/Diesel System Development".
3. A CD copy of "A Case Study of Industry and Government Cooperation in Wind/Diesel System Development".
4. Two DVD copies of "Diesel & Wind Systems", that explains the wind/diesel technology and the industry.
5. A hardcopy of "A Case Study of Industry and Government Cooperation in Bioenergy System Development".
6. A CD of "A Case Study of Industry and Government Cooperation in Bioenergy System Development".
7. Two DVD copies of "Integrated Wood Processing", that explains the reasons behind the development of this bioenergy project and the outcomes of the construction and operation for the IWP demonstration plant.

Further information on this submission or clarification of any aspects can be directed to:

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Yours sincerely



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