Community renewable energy for Tasmania

Jack Gilding – June 2012
Overview

• The Hepburn Wind experience
• The potential for community energy
• Tasmania’s competitive advantages
• Challenges for community energy
• Support mechanisms
• Scaled to local area: 2 turbines, 4.1 MW total
• Co-operative model
• 1900+ members raised $9.7 m
• $13.5 m project
• Wholesale and retail arrangements with Red Energy
• Created 3 jobs + upskilled many locals
• 25 year sustainability dialogue
Success factors

- Community engagement
- Stubbornness / commitment
- Developer support (FE)
- Government support (SV)
- Professionalism
  - board members and staff
Lessons learnt

• Dynamics of fund-raising
  • seed capital
  • risk and reward stages

• Administrative support
  • moving beyond volunteer capacity

• Grid connection
  • need early professional advice
The potential of community energy

- Community action the origin of the modern wind industry – Twindkraft 1978
- In 2000, individual and community owned wind turbines 84% of Danish wind power capacity
- Embark submission 2009: government investment of $100m could support the development of 100 CRE projects over 10 years.
Benefits of community renewable energy

• Taps the energy and enthusiasm of communities
• Demonstrates grass roots action on climate change
• Creates sense of pride in ownership
• Provides an avenue for education about energy issues
Economic benefits of community renewable energy

- Taps sources of capital not available to commercial projects
- Provides local economic development opportunities in rural communities
- Greater local retention of benefits
- Can develop energy resources that are viable but too small for utility scale development
- Grid benefits of embedded generation
Tasmania’s competitive advantages

- Physical potential for renewable energy
  - wind, hydro, solar, biomass, wave, tidal
- Supportive government policies
  - Tasmanian Renewable Energy Industry Development Board
  - Economic Development Plan
- Skills base
  - State owned enterprises, Hydro, Entura, Aurora
  - Small and medium scale businesses and consultancies
- Existing projects
  - King and Flinders Islands, Platypus hydro, Glenorchy landfill gas
- Potential as an exporter of renewable energy via Basslink
  - Builds on Tasmania’s ‘clean green’ image
Challenges for the development of CRE

- Grid connection costs and uncertainties
- Energy sales issues (PPA, feed in tariffs, etc)
- Choice of appropriate organisational and financial structures
- Regulatory issues (eg planning)
- Economic externalities
Support mechanisms

• Embark
• Emergence of a national sector
• Tasmanian support project
Embark

- Founded out of the Hepburn experience
- Supporting the community energy sector
- Extensive advice and case studies
- Creating positive local examples

www.embark.com.au
Emergence of a national sector

• Diverse projects
  – Wind: Mt Alexander Wind, New England, Freemantle
  – Warburton hydro
  – Canberra community solar
  – Yarra ranges solar
• Established Google group for info sharing
• Planning national conference and advocacy organisation
Tasmanian support project

• Being developed by pitt&sherry
• 12 months project
  – collaboration with other agencies
    • state and local government, regional bodies, state owned enterprises, entrepreneurs, UTas
  – awareness raising through publicity, public presentations, regional workshops
  – identification and support of at least three community projects and development of business cases
  – action research and advice on key issues and barriers
more information

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