

ENCLOSURE 4

GreenPower – A Summary

Ordinary Meeting of Council

24 January 2007

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Who? GreenPower is bought by energy suppliers on behalf of their customers. It is independently audited and verified by the National GreenPower Accreditation Steering Group.

What? GreenPower is government accredited clean, renewable energy sourced from the sun, the wind, water and waste.

Why? Choosing to purchase accredited GreenPower contributes to reducing greenhouse pollution and supports the development of the renewable energy industry. This in turn helps to reduce the impact of climate change and global warming.

Current Federal and State policies encourage organisations to voluntarily commit to a portion of their electricity needs being generated from renewable sources. In NSW this figure is 6% and Wyong Shire Council implement this policy.

In addition, the NSW Government is considering introducing mandatory renewable energy target legislation that would require 10 per cent of the state's electricity supply to be generated from renewable sources. This would increase to 15 per cent in 2020.

How? Energy suppliers who sell accredited GreenPower products buy electricity generated from accredited renewable energy generators on Council's behalf and feed it into the National Electricity Grid.

Benefits?

- * An easy, simple and inexpensive way to demonstrate commitment to the environment, and contribute to a sustainable future.
- * Make direct reductions in greenhouse gas emissions.
- * Help meet rate payers expectations of Council's environmental performance and present an opportunity for ratepayers to reduce their impact.
- * Improve your environmental performance rating and increase chances of eligibility for grant funds.
- * Position your council as a leading corporate citizen.

What is required for Wyong Shire?

That Council increase its purchase of GreenPower generally in line with other State and Council initiatives. As a minimum Council should consider increasing its GreenPower purchase as follows: For non water and sewer related energy use - an increase from 6% to 25% by 2008 and for water and sewer related energy use from 6% to 10 % by 2008 (all at an additional cost of \$134,000 above current costs) Then, for non water and sewer related energy use, a further increase up to 50% by 2020 and for water and sewer, an increase up to 15% by 2020 (to conform to State guidelines and to ensure increases are supported by IPART). Total additional cost in 2020 is \$308,000 above current expenditure.

Council currently spends \$1.5m pa on the energy component of its electricity consumption. This does not include the network and demand charges (currently \$1.3m). This figure includes the 6% GreenPower currently purchased for approx \$70,000.

Based on today's costs and consumption rates, if Council purchased GreenPower as above in 2008 then the energy component of its electricity consumption would cost Council \$1.63m pa. Electricity consumption by 2020 with GreenPower as described above would cost \$1.8m. These figures will need to be adjusted for expected annual increases in energy consumption of potentially 50 % by 2020 as detailed below.

Council's overall electricity consumption has declined over the past two years by a total of 3% due to demand management actions implemented (pumping less water) to respond to continuing drought conditions. Increasing population and a lifting of water restrictions in the future would potentially see the energy consumption rise in accordance with increased demand for water. This would be offset somewhat by efficiency measures implemented as a result of the Energy Saving Action Plan

The following table provides an estimate of the anticipated increase in energy consumption assuming an easing of water restrictions and an annual (compounded) population increase of 1.5% pa.

Year	Estimated water and sewer operational increase	Projected population Increase	Total Estimated Increase
2008	No impact	1.5%	1.5%
2009	2.5%	1.5%	4%
2010	2.5%	1.5%	4%
2011	2.5%	1.5%	4%
2012	2.5%	1.5%	4%
2013 - 2020	No impact	1.5% pa	12%

Assuming this rate of increase, energy consumption may be estimated to increase by 50% by 2020. Approximately 20-30% of this increase can be attributed to population growth (compounded), while the balance may be due to a lowering of restrictions and the higher energy costs associated with producing and treating water.

More information? <http://www.greenpower.com.au/>