

**Clean Energy Program Annual Report**

**Reporting Period:**

**Year 3**

**(from 23 December 2016 – 22 December 2017)**

NGRWF-REP-023-03

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## Executive Summary

- This document reports on the implementation status of the Gullen Range Wind Farm Clean Energy Program Stages 1 and 2, and the Clean Energy Program fund statement, including information of allocated funds and their use for Year 3 (from 23<sup>rd</sup> December 2016 to 22<sup>nd</sup> December 2017).
- During Year 3 of the Clean Energy Program, a total of 22 Stage 1 applications were received, 20 Energy Efficiency Audits were carried out (including applications received at the end of Year 2) and 20 vouchers were issued to applicants.
- Regarding Stage 2 of the Clean Energy Program, 17 applications were approved by the Energy Committee, with the total value of all the approved grants for Year 3 amounting to \$109,465.60. The average approved grant value was \$6439.15. The Solar Reimbursement Package was the most popular Stage 2 package amongst applicants.
- At the end of Year 3, the Clean Energy Program fund was in deficit by \$86,846 on accrual basis. Gullen Range Wind Farm will advance funding from future years of the Clean Energy Program to cover this shortfall. No roll-over of Clean Energy Program funds into the Community Fund has been required due to the Clean Energy Program being in deficit on accrual basis.
- Gullen Range Wind Farm has committed \$86,846 more to the Clean Energy Program in Year 3 than is required under the Community Enhancement Program (and therefore the wind farm Development Approval).

# 1 Introduction

Gullen Range Wind Farm was granted a Project Approval from the NSW Land and Environment Court in 2009. The Wind Farm consists of 73 wind turbines and is located in the Southern Tablelands region of NSW. Gullen Range Wind Farm has been fully operational from 23<sup>rd</sup> December 2014 (the Operation Date).

The Project Approval (ref 07\_0118) for the development was modified by the Planning Assessment Commission in 2015. The Project Approval includes Condition 5.6, requiring Gullen Range Wind Farm to operate a Community Enhancement Program (CEP). The Community Enhancement Program includes a Clean Energy Program (CLEP) and a Community Fund. This document reports on the Clean Energy Program during the reporting period. The Community Fund is governed by Upper Lachlan Shire Council.

Community Enhancement Program funding has been accruing from 23<sup>rd</sup> December 2014. The anniversary of the Community Enhancement Program scheme is 23<sup>rd</sup> December every year until the Wind Farm is decommissioned.

The operation of the Community Enhancement Program was governed by Document ref: GR-PM-PRC-0001, Rev 6 until 1<sup>st</sup> September 2016. After this date, the Community Enhancement Program was subsequently governed by Community Enhancement Program Document ref: NGRWF\_P\_003 Rev 1. This Annual Report considers the revised Community Enhancement Program document which was effective during the annual report period, being the Document ref: NGRWF\_P\_003 Rev 1.

The Community Enhancement Program aims to provide financial contributions towards implementing clean energy improvements to properties within the target community. The Clean Energy Program comprises 2 stages. Stage 1 must be completed before Stage 2 can be applied for. The Stages are defined as follows:

Stage 1: Energy Efficiency Package – provides Clean Energy Program eligible residents with an energy efficiency audit on their home or business and a monetary contribution, in the form of vouchers, toward energy efficiency upgrades, such as energy efficient light bulbs or more efficient shower roses. This stage aims to assist the resident in having the knowledge required to apply for grant funding in Stage 2 of the CLEP.

Stage 2 is divided into two further stages:

Stage 2A – Solar Reimbursement Package – assists Clean Energy Program eligible residents by providing a grant for the installation of a solar hot water system, a solar PV installation, or a battery storage system for the purposes of providing household power.

Stage 2B – Home Energy Efficiency Improvement Package – assists Clean Energy Program eligible residents by providing a grant for works to improve the energy efficiency of their home, through installation of improved insulation, double glazing or other modifications set out in the section 5.7.1 of the Community Enhancement Program.

The reporting period described in this report is the period from 23<sup>rd</sup> December 2016 to 22<sup>nd</sup> December 2017, otherwise referred to as Year 3 of the program.

## 2 Purpose of This Document

This report aims to satisfy section 5.3 of the Community Enhancement Program - "...The Energy Committee will report on the Clean Energy Program annually, with a report issued by 23<sup>rd</sup> February every year. The report will be made available on the Gullen Range Wind Farm website". It reports on the implementation status of Clean Energy Program Stages 1 and 2, and the Clean Energy Program fund statement, including information of allocated funds and their use for Year 3 (from 23<sup>rd</sup> December 2016 to 22<sup>nd</sup> December 2017).

## 3 Clean Energy Program Stage 1

### 3.1 Energy Efficiency Audits

A total of 22 applications were received from Clean Energy Program eligible residents between 23<sup>rd</sup> December 2016 and 22<sup>nd</sup> December 2017, as shown in Table 1.

**Table 1 shows when applications were received and processed during Year 3 of the Clean Energy Program**

Date	Quarter	Number of Applications Received
Unprocessed applications carried over from Year 2		3
December 23 – March 22	1	2
March 23 – June 22	2	4
June 23 – September 22	3	4
September 23 – December 22	4	12
<b>Total</b>		<b>25</b>
<b>Processed applications during the year</b>		<b>20</b>
<b>Unprocessed applications carried over to Year 4</b>		<b>5</b>

Out of the 22 applications received during Year 3, 17 were provided with energy efficiency audits in Year 3 and the remaining 5 applicants were provided with energy efficiency audits at the start of Year 4 of the Clean Energy Program. Energy efficiency audits were also performed in Year 3 for three applications received in Year 2. Only the 20 applications that were processed are included in Year 3's Clean Energy Program fund statement below. The remaining 5 applications were processed in Year 4 and will be reported on in the Year 4 Annual Report.

The total number of audits in Year 3 was 20.

### 3.2 Vouchers for Energy Efficiency Upgrades

A total of 20 vouchers valued at \$150.00 each (to be spent at Bunnings) were given to Clean Energy Program eligible applicants to be used toward energy efficiency upgrades recommended in their Clean Energy Program Stage 1 Energy Efficiency Audit Reports.

## 4 Clean Energy Program Stage 2

A total of 17 Stage 2 applications were received from eligible residents between 23<sup>rd</sup> December 2016 and 22<sup>nd</sup> December 2017, as shown in Table 2.

All of the 17 Stage 2 applications reviewed by the Energy Committee were approved.

The Independent Member of the Energy Committee was replaced for Funding Rounds Quarter 3 and Quarter 4.

**Table 2 shows the number of Stage 2 applications received and approved in each Funding Round during Year 3 of the Clean Energy Program**

Funding Round Dates**	Quarter	Number of Applications Received	Number of Applications Approved
December 23 – March 22	1	0	0
March 23 – June 22	2	8	8
June 23 – September 22*	3	3	3
September 23 – December 22*	4	6***	6
	<b>Total</b>	<b>17</b>	<b>17</b>

\*An extra application was received in Q3; however, it was withdrawn prior to the review by the Energy Committee and resubmitted in Funding Round Q4. See the note below.

\*\*Note that 2 applications received shortly after 22/09/2017 were considered in Funding Round Q3 rather than Q4. These applications were received on 28/06/2017 and 3/07/2017 respectively.

\*\*\* Note that 3 applications received shortly after 22/12/2017 were considered in Funding Round Q4 rather than Q1 of the following year. These applications were received on 23/12/2017, 28/12/2017 and 03/01/2018 respectively. It was agreed that a fourth application, which was originally received in Funding Round Q3, could be changed and resubmitted after the Funding Round Q4 closing date and still be considered in Funding Round Q4.

Table 3 shows the number of Clean Energy Program grants approved for each Stage 2 Package, including each type of energy efficiency improvement. The Solar Reimbursement Package was the most popular Stage 2 Package during Year 3, with the majority of grants going towards installing Solar PV systems.

Table 3 shows the number of approved Clean Energy Program grants for each Stage 2 Package, including each type of energy efficiency improvement

	Stage 2 Package & Energy Efficiency Improvement	No. of approved grants in Funding Round ending 22/06/2017	No. of approved grants in Funding Round ending 22/09/2017	No. of approved grants in Funding Round ending 22/12/2017	Total for Year 3
Stage 2A- Solar Reimbursement Package	Solar PV System*	8	3	4	15
	Solar Hot Water	0	0	0	0
	<b>Stage 2A – Total</b>	<b>8</b>	<b>3</b>	<b>4</b>	<b>15</b>
Stage 2B- Home Energy Efficiency Improvement Package	Home Insulation - wall cladding	0	0	1	1
	Window coverings - curtains & blinds	0	0	1	1
	Double glazing	0	0	0	0
	<b>Stage 2B – Total</b>	<b>0</b>	<b>0</b>	<b>2</b>	<b>2</b>

\*includes two approved grants for batteries for existing Solar PV systems

## 5 Clean Energy Program - Year 3 Fund Statement

The average approved grant value for Year 3 was \$6439.15, which is below the Target Allocation Value of \$6610 for Year 3 (and is thus compliant with paragraph 5.7.2 of the Community Enhancement Program “...each year the Energy Committee will aim to ensure that the average value of approved applications will be equal to this Target Allocation Value”). The total value of all the approved grants for Year 3 was \$109,465.60.

Table 4 below summarises income and expenditure of the Clean Energy Program from 23<sup>rd</sup> December 2016 to 22<sup>nd</sup> December 2017. The table shows the total amount of funds remaining at the end of Year 3 after taking into account (1) the value of the actual income and expenditure and (2) the value of the allocated income and expenditure. More details about how the income and expenditure is calculated can be found in section 5.1 below and in the Community Enhancement Program document.

## 5.1 Basis for preparation of the Clean Energy Program fund statement for Year 3

The fund statement for Year 3 set out in table 4 below reports income, expenditure and the balances on both accrual and cash basis. The “Allocated sum” column reports the income, expenditure and the balance on accrual basis and the balance is used to determine whether any Clean Energy Program funds need to rollover into the Community Fund, as per the rollover condition described in Section 5.5 of the Community Enhancement Program document. In Table 4, this information is described in the column ‘Allocated Sums’.

The “Actual Sum” column reports income, expenditure and balance on a cash basis to track actual annual cash flow relating to Clean Energy Program.

Inherent to the design of the Program is that actual expenditure (shown in the ‘Actual Sums’ column) will likely lag behind allocated expenditure (shown in the ‘Allocated Sums’ column) as

1. Stage 2 system installations can take several months to be undertaken, following which payment to the supplier becomes due, and
2. Applicants may not immediately spend the full value of their Stage 1 vouchers.

This is evident in the table below, which shows in the ‘Allocated Sums’ column that Gullen Range Wind Farm has committed \$86,846 more to the Clean Energy Program in Year 3 than is required under the Community Enhancement Program (and therefore the wind farm Development Approval). In contrast, the balance of the ‘Actual Sums’ column remains positive at \$49,992, reflecting that some of the approved Stage 2 systems have not yet been installed (and therefore been paid for) and some of the Stage 1 vouchers have not yet been spent.

**Table 4 Fund Statement for Year 3 of the Clean Energy Program, 23 December 2016 to 22 December 2017**

Item	Year 3 – ending 22 December 2017	
	Actual Sums \$	Allocated Sums \$
CEP contribution from Gullen Range Wind Farm for Year 3 (\$60,809.00 base figure indexed for CPI from base year using CPI Q3 data of 110.4 (2016) and 96.3 (2010))	69,712	69,712
Community Enhancement Program funds carried over from year 2 (from Year 2 report)	103,264	(33,505)
Stage 1 – Cost of vouchers	(1,864)	(3,000)
Stage 1 & 2 – Cost of Energy Efficiency Expert	(5,671)	(7,563)
Stage 1 & 2 – Cost of Independent Member (capped at \$3,000 (indexed) for administration costs as defined in Community Enhancement Program Table 2, section 4.1, version ref NGRWF_P_003 Rev 1)	(1,100)	(3,025)
Stage 2 - Cost of grants issued	(114,349)	(109,465)
<b>Total Amount remaining at the end of Year 3</b>	<b>49,992**</b>	<b>(86,846) *</b>

\*Value used to calculate if there are deficit funds that will be advanced from future years (Year 4)

\*\* Inherent to the design of the Program is that actual expenditure will likely lag behind allocated expenditure as (1) some Stage 2 system installations may not have been completed by the end of the Year 3 and (2) some applicants may not have spent their Stage 1 vouchers.



## 6 Conclusion

During Year 3 of the Clean Energy Program, a total of 22 Stage 1 applications were received, 20 Energy Efficiency Audits were carried out (including applications received at the end of Year 2) and 20 vouchers were issued to applicants. Regarding Stage 2 of the Clean Energy Program, 17 applications were approved by the Energy Committee, with the total value of all the approved grants for Year 3 amounting to \$109,465.60. The average approved grant value was \$6439.15. The Solar Reimbursement Package was the most popular Stage 2 package amongst applicants. At the end of Year 3, the Clean Energy Program fund was in deficit by \$86,846 on accrual basis. Gullen Range Wind Farm will advance funding from future years of the Clean Energy Program to cover this shortfall. No roll-over of Clean Energy Program funds into the Community Fund has been required due to the Clean Energy Program being in deficit on accrual basis.

## 7 Declaration

During Year 3 of the Clean Energy Program, Gullen Range Wind Farm has complied with its commitment to operate a Clean Energy Program, under Condition 5.6 of the Ministers Conditions of Approval (MCoA) for 07\_0118. The Committee has fulfilled its obligations under the Community Enhancement Program as described in this report.



(Sign) *Derek Power*

on behalf of the Energy Committee:

Date: 12/2/19

