National Community Energy Strategy Summary

Project Purpose

The purpose of the National Community Energy Strategy (http://c4ce.net.au/nces/) is to develop a shared agenda - vision, objectives and priority initiatives - to grow a vibrant community energy sector across Australia. To ensure that this is truly a shared agenda, a highly collaborative process has been undertaken to build and secure commitment from all key actors in the emerging community energy sector.

ABOUT Community Energy

Community Energy is the term used to describe the wide range of ways that communities can develop, deliver and benefit from sustainable energy. It can involve supply-based projects such as renewable energy installations, storage, and demand side projects such as community education, energy efficiency and demand management. Community energy can even include community-based approaches to selling or distributing energy.

Community energy projects encompass a variety of technologies and activities across a range of scales, determined by community needs, availability of local natural resources, technologies and funding, and community support.

Community energy projects help to:

- Decarbonise our energy supply through using renewable energy technologies
- Decentralise and localise our energy supply
- Democratise our energy governance through community ownership and participation, and
- Demonstrate that clean energy technologies work and that a clean, low carbon energy future is possible.

They also build community support through engagement and education about a tangible renewable energy project of a greater scale than household solar.

The Australian Community Energy Sector

The community energy sector in Australia has grown from little more than an abstract concept in 2006, to a point where in early 2015 there are 19 community projects operating, with over 9 MW of installed capacity and at least 59 groups developing and/or operating community energy projects (see Appendix A for a list). In addition, there are a range of supporting organisations providing services to and advocating for community energy at a state and national scale. Through this process, these organisations have formed the Coalition for Community Energy (C4CE) – a collaborative governance system to enable greater collective impact across the growing community energy sector through joint priority initiatives. C4CE anticipates that with policy support, the Australian community energy sector could follow in the footsteps of the Scottish community energy sector, which grew to over 300 operating community renewable energy projects in a decade.

Developing the National Community Energy Strategy

The National Community Energy Strategy project commenced in December 2013 and was extended in July 2014. Funded by the Australian Renewable Energy Agency (ARENA), the project was led by the Institute for Sustainable Futures (ISF) at the University of Technology Sydney. The Strategy team comprises Starfish Initiatives, Embark, the Alternative Technology Association, the Total Environment Centre, Community Power Agency, Backroad Connections, Sustainable Regional Australia and the NSW Office of Environment and Heritage. E2Q, ClearSky Solar Investments, RePower Shoalhaven, Moreland Energy Foundation and the Between Social Movements and Social Enterprises Research Program at UNSW all contributed to supporting research to this Strategy (Appendices C-F).

The following steps were undertaken to develop the National Community Energy Strategy:

1. A framework to underpin the Strategy was developed:

Two overarching research questions were developed:

What will it take to get the current wave of community energy projects in development to a point that they are operating?

What will it take to replicate the successful models of community energy in communities across Australia?

Five key 'sub-strategy' areas were identified as needing to be addressed in order to grow the community energy sector:

- Community energy models,
- Finance and funding,
- Capacity building,
- Profile raising and stakeholder support
- Policy and regulatory reform.

2. Feedback from stakeholders was sought on Draft National Community Energy Strategy:

A national survey of 38 community energy projects, a series of interviews with key stakeholders and desktop research were used to identify objectives and priority initiatives for each area. The information gathered was summarised into the draft Strategy, set out on the inside pages of this document, ready for your feedback!



3. Further stakeholder feedback was provided through a deliberative democracy session at the Inaugural Community Energy Congress:

At the Congress, the Draft Strategy was presented to and input sought from approximately 180 community energy stakeholders in a half-day session at Old Parliament House. At this session, participants were invited to develop and share their vision for a community energy sector, identify a series of questions that a comprehensive National Strategy should answer and start to develop the most pertinent Priority initiatives to grow the sector. Based on this input, the Strategy was revised, expanded and refined into a first formal draft. A Community Energy Congress Report is provided in Appendix G to this strategy.

4. Finalise National Community Energy Strategy

As part of an National Community Energy Strategy project extension, four key pieces of work have been completed to inform the overarching strategy:

- A baseline collective impact assessment of the state of the community energy sector and the development of a monitoring and evaluation framework to track progress of this strategy and the sector over time (Appendix C).
- Development of a Community Energy Model Maturity Index to help policy makers understand how they can support community energy models to move from an hypothetical concept to wide deployment (Appendix D).
- A series of resources and tools to help groups establish behind-the-meter community solar projects (Appendix E).
- An analysis of the costs and cost reduction potential of six community energy models (Appendix F).





Objectives

S

Priority Initiative

National Community Energy Strategy Summary

Vision: Our vision is for communities as hubs of energy innovation where together residents, business, industry and government work with a shared purpose towards an Australia that is powered by sustainable energy. We will grow a vibrant and collaborative community energy sector that is committed to meeting our energy needs in ways that are fair, inclusive, empowering and sustainable.

Community Energy Models

• Increase the accessibility of existing viable community energy models.

 Create an environment that encourages and fosters innovation and development of new community energy models.

Funding and Finance

- Ilncrease the availability and accessibility of funding Develop the community energy sector and finance that community energy projects need to a point where they are operating
- Progressively reduce costs of community energy projects to increase their economic viability.
- Maximise revenue streams available to community energy projects.
- Secure adequate resourcing for community energy support providers.

Capacity Building

- into a vibrant, robust, highly skilled, and adaptable sector.
- Build capacity from within, through a number of innovative communications, networking and skills development

Profile Raising and Stakeholder Support

- Increase key actors' awareness of community energy and its benefits.
- Assist community energy groups to communicate the benefits to their local community and the wider public

Policy and Regulatory Reform

• Foster a policy and regulatory environment that proactively removes barriers to and supports the growth of the community energy sector to reach its full potential.



- Outline and promote viable community energy models.
- Create resources that assist community groups to decide which model to adopt or to develop a new model.
- Encourage and promote communitydeveloper partnership models of community
- Support the development of new energy efficiency, peak demand management, storage, bioenergy, thermal network and small hydro based models of community energy.
- Support community energy groups in setting up and developing community off-grid or micro-grid systems and business models.
- Develop models of community energy based on Environmental Upgrade Agreements.
- Develop a community energy business model that works regardless of government policy.

- Support and further develop community energy grant funding
- Increase community energy groups' competence in fundraising.
- Work with investors to develop a revolving finance fund.
- Foster innovative approaches to electricity retailing.
- Develop shared services.
- Develop a funders roundtable.



- Develop dynamic peer-to-peer networks and shared learning through collaborative communications tools.
- Develop a community energy training, mentoring and networking events program.
- Develop an authoritative central web repository of information and resources.
- Develop a database for stakeholders to register the support they can provide/require
- Coordination and backbone support.

- Create an evidence based communications strategy framework for community energy.
- Create a strategy for pitching community energy to and building partnerships with key
- Recruit influential champions to promote community energy.
- Engage farming communities to co-create regional development opportunities.
- Build partnerships with mainstream energy companies - networks and retailers.
- Create a council and community energy network.
- Build support for community energy within all political parties.

- Work to ensure there is strong and stable renewable energy policy
- Support projects in gaining access to electricity networks at a reasonable cost and timeframe.
- Advocate regulatory changes necessary to facilitate community off-grid or micro-grid systems.
- Promote rights for projects to sell energy at a fair price.
- Advocate for rules that would make it easier and less costly to secure community investors
- Work with State Governments to develop programs to support community energy.
- Help establish dedicated community energy support policies.
- Enable Virtual Net Metering.
- Advocate for supportive planning assessment frameworks for community energy projects.

Delivery of the Strategy

This Strategy is a high-level plan for government, community and business to grow a vibrant community energy sector in Australia. The Strategy guides the joint activities of the Coalition for Community Energy members. If one or more priority initiatives or objectives resonates with your organisation or group, or seems similar to something you are already working on, we invite you to contact the C4CE Secretariat on secretariat@ c4ce.net.au. We are interested in your projects and if other groups are working on similar ideas there could be potential to collaborate.

Tracking the progress of the Strategy

As part of the National Community Energy Strategy project, ARENA funded development of a monitoring and evaluation framework for the community energy sector. A collective impact approach was used to establish a baseline and identify indicators and metrics for ongoing strategic monitoring of the community energy sector. This work forms the basis for instituting an annual data collection process and platform connected to an international data visualisation tool which will allow for continuous improvement and learning cycles to guide the strategic direction of the sector.