



WWF

REPORT

AUS

JUNE 2016

# HELPING BUSINESS - PATHWAYS TO PURCHASE RENEWABLE ENERGY



## Overview

This document shares the knowledge of the Renewable Energy Buyers Forum to enable organisations to more easily purchase renewable energy as part of their electricity procurement and transition towards a zero carbon future.

**Thank you to the City of Sydney for making this report possible**



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## How to find out more about the WWF Renewable Energy Buyers Forum

Our website provides more details on our Forum meetings and includes some previous presentations.

If you would like further information and/or to be on our mailing list please contact:

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# FOREWORD

While climate policy in Australia has become a vexed political issue, many Australian businesses have been quietly going about reducing their carbon footprint. This can bring marketing and brand value enhancements, improved social licence to operate and better employee buy-in. Very often, it brings cost savings as well, particularly for investments in energy efficiency including process improvement, and installing local renewables like on-site solar photovoltaic systems.

However, the grid electricity supplied to most Australian businesses is the most carbon-intensive in the developed world, and those who want to purchase cleaner grid electricity have paid a hefty premium, until now. Yet renewables are already the cheapest form of new generation in Australia. In other countries, notably the UK and US, direct corporate purchase of utility-scale renewable energy is now a major part of the market. In the US last year, a third of the new wind farms commenced were funded by direct power offtake from individual businesses.

There is a perception that only a small proportion of firms have an interest in “greening” their operations and supply chain, and that this comes at a financial cost to their business. The days of the niche “green” market, which commands high prices, are over. Sustainable goods and services, once niche and expensive, are fast becoming ubiquitous and affordable. Renewable grid electricity is no different. Once built, these projects will supply energy for decades with no fuel cost risk.

It’s over a year now since we founded the WWF Renewable Energy Buyers Forum. In that time we’ve hosted and met a large number of businesses, institutions and government players from a broad range of sectors. We have discovered business enthusiasm and demand for affordable renewable energy supplied from the grid. And we have found that Australia has a great number of approved renewable energy projects just awaiting a customer for their power to begin construction. Our Forum is working on removing the barriers between supply and demand and the early signs are encouraging.

Having aggregated a significant level of demand from business and institutions, the Forum is now testing market supply and should have a formal tender process underway in the third quarter of 2016, and we expect other tenders to be developed soon afterwards in 2017. We hope to replicate and scale that process, developing a business renewables market.

While overseas renewable offtake agreements are typically two-way, between a large business and a project developer, here we are attempting a demand aggregation model whereby we match demand from a group of businesses and institutions with a single renewables project. This way, even small business can take advantage of the price and terms that come from buying at scale, and lock in at least a portion of their supply at a known, low cost for a term much longer than traditional electricity supply agreements.

We believe the business renewable market in Australia is poised for success. Will you join this growing group of forward-looking businesses, hedging your electricity costs and playing your role in the transformation of Australia’s electricity system?

**Ben Waters**

*Chair - Renewable Energy Buyers Forum*

# EXECUTIVE SUMMARY

The Paris Agreement in December 2015, will require all countries to cut their carbon pollution to net zero and below, with the expectation that developed countries like Australia will do so faster. The transition to net zero emissions is already underway in Australia, changing energy consumption patterns and driving investment in energy efficiency and renewable energy. However, there are currently a number of barriers for business in Australia wanting to be part of the transition and take up more renewable energy. The Renewable Energy Buyers Forum (Forum) was established to assist businesses in this regard. This document makes the findings from the Forum available to CitySwitch members and other businesses.

Currently all electricity purchases in Australia include a contribution towards renewable energy. In 2015 anyone using electricity paid 11.1% towards large-scale renewable energy through standardised environmental charges on energy bills. To have your business' electricity be 100% renewable electricity, it is necessary to purchase and voluntarily surrender renewable energy certificates for the remainder of the electricity your business uses (in 2015 around 88.9%). This can be done by purchasing GreenPower, via a third party certificate market participant, an energy retailer, and/or participating in a group like the Forum where we look to address these needs.

The point of a group like the Renewable Energy Buyers Forum is to aggregate combined demand to grow the supply of renewables in the Australian electricity market, making it easier to meet the Renewable Energy Target (RET), and allowing participants to individually decide whether to create additional supply on top of the RET.

Purchasing renewable energy is a smart business strategy with a number of benefits including brand building, investor appeal and improved social licence to operate. Aside from these benefits, there are also good business reasons to commit at least part of your business electricity load to a long-term renewable energy purchase arrangement. To negotiate an attractive offtake price with a renewable energy project developer it is typical to commit to at least a ten-year supply period for a Power Purchase Agreement (PPA). While this is longer than normal business electricity supply agreements, many businesses view it as an opportunity to have certainty on electricity costs within a market with volatile grid electricity prices.

When deciding how to go about the purchase of grid renewable electricity, your business needs to decide what you are trying to achieve. For example, if your business wants to help Australia transition to a cleaner energy system you should consider supporting a new, large scale utility renewables project. There is a large pipeline of permitted renewables projects in Australia which will proceed when they have an offtaker for a long term power contract allowing them to secure finance. Businesses can offtake individually, via a Corporate PPA or purchasing via GreenPower, or could join an aggregation initiative like the Forum.

In the case of the WWF Forum's aggregated load, potential participants have indicated they would be open to committing between 10% and 40% of their electricity or 100% of nominated building loads to a PPA. A single retailer or offtaker will be selected for each project who will then agree terms with each of the participants. The price for wholesale electricity from the selected project(s) plus Large Generation Certificates (LGCs) will be the same for each participant.

WWF seeks to facilitate the development of a corporate PPA market in Australia in order to increase demand for renewable energy. While the Forum participants are mainly larger businesses and institutions, WWF hopes that stimulating the corporate PPA market will also result in new product offerings to allow smaller businesses to purchase renewable energy at competitive prices.

# 1. INTRODUCTION

Australia recently signed on to the Paris Agreement and the global goal contained within it to limit warming to well below 2 degrees C and pursue efforts to limit warming to 1.5 degrees C. The global goal which will require countries to achieve net zero emissions and below well before the end of this century. Developed countries like Australia, will need to achieve net zero emissions earlier, with many stakeholders arguing by or before 2050. In Australia, some State and Territory Governments, City Councils and Business have already made the commitment to net zero emissions by 2050.

The transition to net zero emissions is already changing energy consumption patterns and driving greater investment in renewable energy. However, there currently are a number of barriers to purchasing renewable energy in Australia. The Renewable Energy Buyers Forum (Forum) was established to assist businesses in this regard.

This document makes the findings from the Forum available to CitySwitch members and other businesses to help them make decisions on how to increase renewable energy take-up. WWF-Australia has convened a number of companies, institutions and state and local governments since early 2015 to explore the opportunities of purchasing renewable energy from the grid. The Forum has worked to understand the barriers and progress towards an aggregated renewable energy purchase on behalf of its interested companies. Purchasing renewable energy at a competitive price can be a challenge for businesses on their own, so joining this network or a similar network can result in companies moving towards a lower-carbon footprint at a more favourable price.

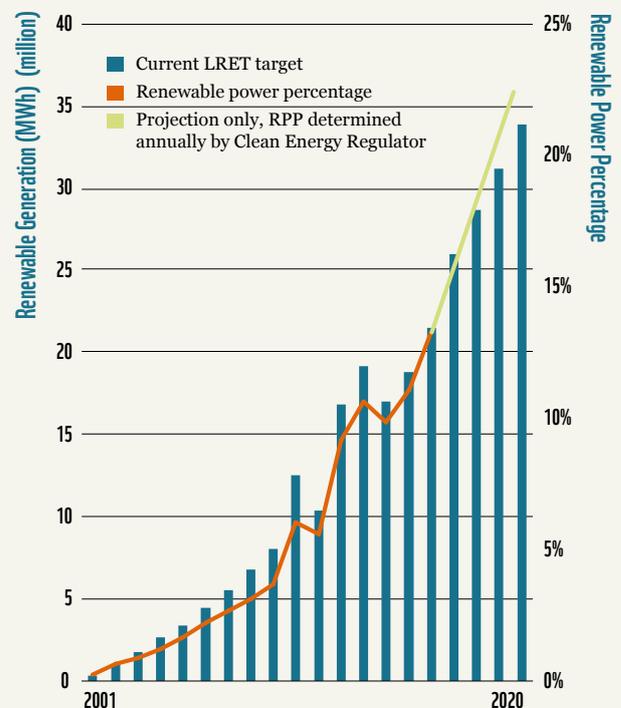
Achieving net zero emissions in your business will require strong leadership and a commitment towards this long-term goal as all businesses and governments reduce their entire carbon footprint to zero. Purchasing renewable electricity is one means of achieving this.

## AUSTRALIA'S RENEWABLE ENERGY TARGET

The national Renewable Energy Target (RET) scheme has existed since 2001 and has been revised three times. It requires 33 million MWh of new large-scale renewable electricity (excluding existing hydro, for example) to be generated each year by 2020. Each MWh of such renewable energy generated creates one Large-scale Generation Certificate (LGC).

Under the RET legislation, every year, liable entities - electricity retailers - must surrender a number of LGCs equal to how much electricity they purchase and the percentage of renewable electricity. The price of LGCs fluctuates based on supply and demand and this price is passed onto consumers. In 2015, all consumers were paying 11.1% for large scale renewable energy. This equated to 18.85 million MWh and 18.85 million LGCs. The 2016 target is 21.43 million LGCs, equating to 12.75% renewables, and the 2017 target is 26.03 million LGCs. The trajectory of the RET to 2020 is illustrated below:

Diagram 1: Trajectory of the RET to 2020



Source: <http://www.cleanenergyregulator.gov.au/RET/About-the-Renewable-Energy-Target/The-certificate-market/annual-targets-and-the-renewable-power-percentage>

Businesses can also choose to voluntarily surrender additional LGCs if they want to increase the national supply of renewable energy beyond the obligated RET.

# 2. THE AMBITION OF NET ZERO EMISSIONS - THE HOW-TO FOR YOUR BUSINESS

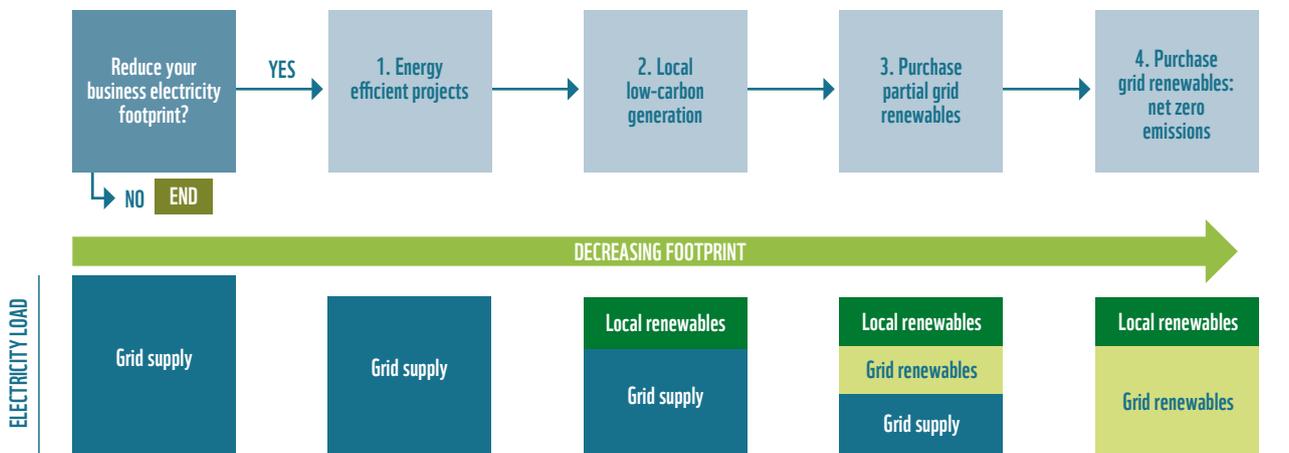
One part of achieving net zero emissions for your business is to ensure your electricity is decarbonised. Benefits to decarbonising electricity include reporting, public perception/branding, building ratings and potentially financial savings. Diagram 2 below illustrates the flowchart for businesses reducing their electricity footprint. As a result of the RET, currently all electricity purchases in Australia include a contribution towards renewable energy. In 2015 anyone using electricity paid 11.1% towards large-scale renewable energy through standardised environmental charges on energy bills.

To have your business' electricity be 100% renewable electricity, it is necessary to purchase and voluntarily surrender renewable energy certificates for the remainder of the electricity your business uses (in 2015 around 88.9%). This can be done by purchasing GreenPower, via a third party certificate market participant, an energy retailer, and/or participating

in a group like the Forum where we look to address these needs.

In the case of the Forum, all renewable electricity purchased by its participants will include the associated LGC stream. Participants can arrange to voluntarily surrender the LGCs ensuring a claim of additionality or zero emissions electricity source can be made. We anticipate some participants will voluntarily surrender their LGCs to claim zero emissions electricity as part of being certified carbon neutral under the Carbon Neutral Program Guidelines of the National Carbon Offset Standard (NCOS). This will also reduce their emissions reported to National Greenhouse and Energy Reporting System (NGERS) if they are liable to report. Those wanting to use the renewable energy supply to improve their National Australian Built Environment Rating Scheme (NABERS) office rating will need to have GreenPower or GreenPower-Connect certification; which businesses can do themselves or through the Forum.

Diagram 2: Footprint reduction flowchart



Others will be satisfied that they are contributing to meet Australia's RET and will not surrender the LGCs, instead coming to an arrangement with the selected retailer recognising the value of the future LGC stream. Some may elect to voluntarily surrender a portion only of the LGC stream. If additionality is not elected it may still be possible for participants to claim they are helping achieve the RET by making a new project possible and/or simply accelerating the deployment. The Forum members are comfortable having a mix of additional and non-additional renewable electricity supplied from the projects selected, and the Clean Energy Regulator has indicated that this is an acceptable arrangement.

## WHAT IS GREENPOWER-CONNECT?

GreenPower is a government-managed program that enables you to displace your electricity usage with certified renewable energy that's additional to the RET. The new GreenPower product, *GreenPower-Connect* is aimed at business and government electricity users wishing to support new renewable projects through an aggregated demand purchase where they are not purchasing 100% of their electricity from additional renewable energy; see the GreenPower website for more detail.

# 3. CHOOSING AN OPTION THAT'S RIGHT FOR YOUR BUSINESS

As businesses consider renewable energy supply there will be a diverse range of views about:

- willingness to be part of an aggregated demand buy
- the level of renewable purchase
- whether to choose a grid supply approach or local distributed energy projects
- whether the projects supported should be new or existing/committed projects
- technology preference for projects (wind, solar PV, etc.)
- geographic preference for projects
- additionality to the RET as discussed in the introduction
- whether to simply offset carbon, perhaps using

overseas projects, or to actively help transform the national energy system

- what premium over normal ('black') grid supply can be supported, if any
- what contract term (period) is acceptable

The Forum considered no fewer than 11 possible ways of getting at the problem; these are listed in Table 1. The point of a group like the Renewable Energy Buyers Forum is to aggregate combined demand to grow the supply of renewables in the Australian electricity market, making it easier to meet the RET, and allowing participants to individually decide whether to create additional supply on top of the RET. Diagrams 3 and 4 below illustrate the current and desired future state of grid renewable energy supply in Australia.

Diagram 3: Current situation regarding energy supply including renewable energy

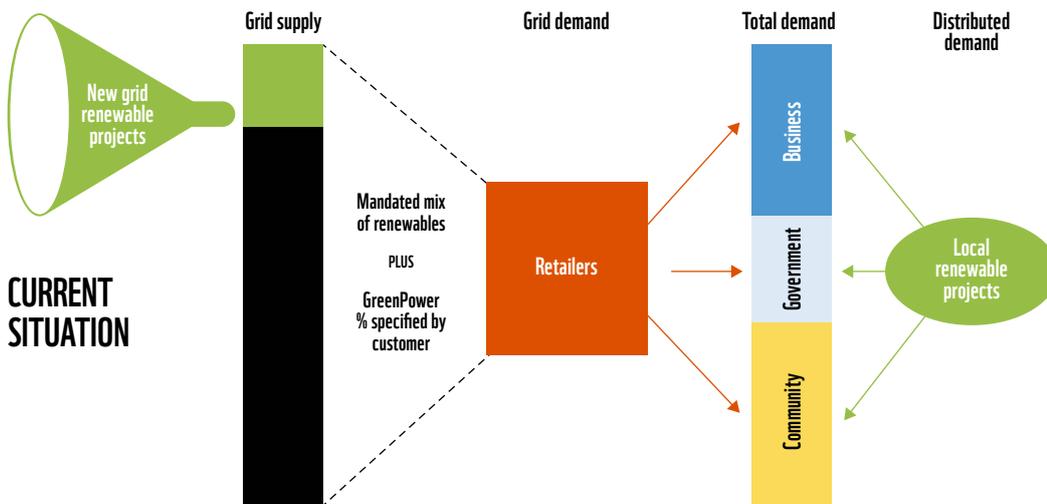
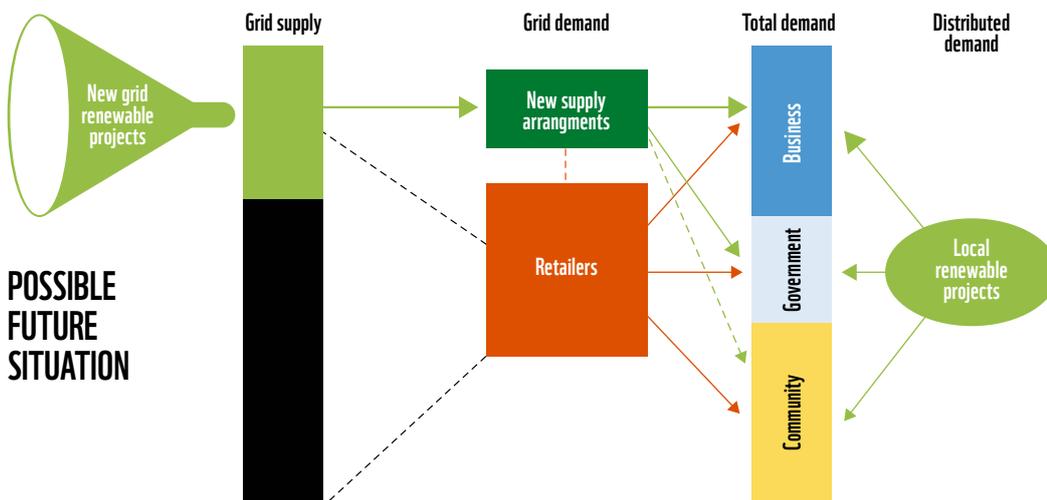


Diagram 4: Possible future situation regarding energy supply including renewable energy



**Table 1: Options for businesses purchasing renewable energy**

Option	Details	Grid/Local?	Counterparty	Benefits	Drawbacks	Incremental to RET?	Questions
GreenPower	Commercial tender process available on website, easy to test price	Grid	Retailer	<ul style="list-style-type: none"> <li>High-quality transparent additionality</li> <li>Volume can deliver attractive price</li> <li>Network with businesses and consumers</li> </ul>	<ul style="list-style-type: none"> <li>Intangible</li> <li>May be existing supply</li> </ul>	Yes, fully accredited, LGCs retired	Few; some WWF work to initiate tender
PPA offtake agreement	Purchase some or all generation from utility-scale project	Grid	Project developer	<ul style="list-style-type: none"> <li>Tangible</li> <li>Unlock project otherwise not going ahead</li> </ul>	<ul style="list-style-type: none"> <li>Take or pay</li> </ul>	If surrender LGCs	Easy for one project, one offtaker, beyond?
ACT-style reverse auction	Tendered for 100MW, selected 3 wind farms	Grid	Project developers	<ul style="list-style-type: none"> <li>Deals direct with developers</li> <li>Achieved wholesale price 8.2-9.1c/kWh</li> </ul>	<ul style="list-style-type: none"> <li>Hard to duplicate: ACT is a NEM jurisdiction</li> </ul>	Yes, they surrendered LGCs	Easier with integrated utility able to pass on costs in single charge
City of Melbourne group tender model	Aggregated demand from 10 parties operating in LGA, tested market for supply backed by offtake from projects	Grid	Retailer	<ul style="list-style-type: none"> <li>Group pricing, Individual contracts</li> <li>Association with specific projects</li> <li>Group shared learning</li> </ul>	<ul style="list-style-type: none"> <li>Need ~30MW/100GWh+ to start</li> </ul>	Yes	Binding contracts needed on all demand participants
Black purchase + LGC purchase	e.g. C3 from STA LGCs surrendered	Grid	Retailer, LGC aggregator	<ul style="list-style-type: none"> <li>High-quality transparent additionality</li> <li>May be cheaper than traditional retailer GreenPower option</li> </ul>	<ul style="list-style-type: none"> <li>Currently scaled for residential</li> </ul>	Yes	May not be scalable?
Black purchase + international REC	e.g. Goldpower Monetise domestic for international REC arbitrage	Grid	Retailer, service provider	<ul style="list-style-type: none"> <li>Much lower price than Australian certificates</li> <li>Still high quality</li> </ul>	<ul style="list-style-type: none"> <li>2 contracts (can be coordinated)</li> <li>Offset overseas</li> </ul>	Not in Australia	Do we care just about emissions or a local industry transition?
Black purchase + CDM offsets	Purchase certified carbon offsets internationally	Grid	Retailer, offset provider	<ul style="list-style-type: none"> <li>Least cost international abatement</li> <li>Likely cheapest option</li> </ul>	<ul style="list-style-type: none"> <li>2 contracts</li> <li>Offset overseas</li> <li>Could be non-energy projects</li> </ul>	Not in Australia	Do we care just about emissions, energy sector or a local industry transition?
Directly fund grid project & offtake	Team up to invest in utility-scale project: equity and purchase generation	Grid	Project developer	<ul style="list-style-type: none"> <li>Simple, tangible</li> <li>Offtake shows direct project support</li> </ul>	<ul style="list-style-type: none"> <li>Investment risk</li> </ul>	If surrender LGCs	Not core business
Directly fund grid project no offtake	Team up to invest in utility-scale project: equity only, use existing supply	Grid	Project developer	<ul style="list-style-type: none"> <li>Simple, tangible</li> <li>Electricity supply arrangements unchanged</li> </ul>	<ul style="list-style-type: none"> <li>Investment risk</li> <li>No power purchase</li> </ul>	If surrender LGCs	Not core business
Connect local projects with offtake demand	Export from members'/other projects used to supply other members	Distributed	Market participant	<ul style="list-style-type: none"> <li>Lowest T&amp;D losses</li> <li>Tangible, local</li> </ul>	<ul style="list-style-type: none"> <li>Difficult outside local distribution area</li> </ul>	If <=100kWp or if LGCs surrendered	May need new VNM rules; could be possible with retailer
Participate in community energy scheme	Volunteer members' facilities to host community projects e.g. rooftop solar	Distributed	Community energy co.	<ul style="list-style-type: none"> <li>Brand</li> <li>Tangible, local</li> <li>Practical</li> </ul>	<ul style="list-style-type: none"> <li>Small-scale, payback likely longer than usually required</li> </ul>	If <=100kWp or if LGCs surrendered	EUA possible in limited areas only

# 4. PURCHASING RENEWABLE ENERGY IS A SMART BUSINESS STRATEGY

Businesses of all sizes are committing to decarbonisation efforts including purchasing renewable energy to participate in the global clean energy transition. The benefits include brand building, investor appeal and improved social licence to operate.

Aside from these benefits, there are also good business reasons to commit at least part of your business electricity load to a long-term renewable energy purchase arrangement. To negotiate an attractive offtake price with a renewable energy project developer it is typical to commit to at least a ten-year supply period for a Power Purchase Agreement (PPA). While this is longer than normal business electricity supply agreements, many businesses view it as an opportunity to have certainty on electricity costs within a market with volatile grid electricity prices.

In the case of the Forum, potential participants have indicated they would be open to committing between 10% and 40% of their electricity or 100% of nominated

building loads to a PPA. Under the aggregated purchasing model, Forum participants will negotiate a PPA contract with a single retailer who will then agree bilateral terms with each participant. The price for wholesale electricity from the selected project(s) plus LGCs will be the same for each participant. The participant may elect to roll the rest of their electricity supply needs into the same contract or another contract with the same retailer, or may keep this separate with another retailer.

WWF seeks to facilitate the development of a corporate PPA market in Australia in order to increase demand for renewable energy. While the Forum participants are mainly larger businesses and institutions, WWF hopes that stimulating the corporate PPA market will also result in new product offerings to allow smaller businesses to purchase renewable energy at competitive prices.



# 5. HELPING AUSTRALIAN RENEWABLE ENERGY PROJECTS GET OFF THE GROUND

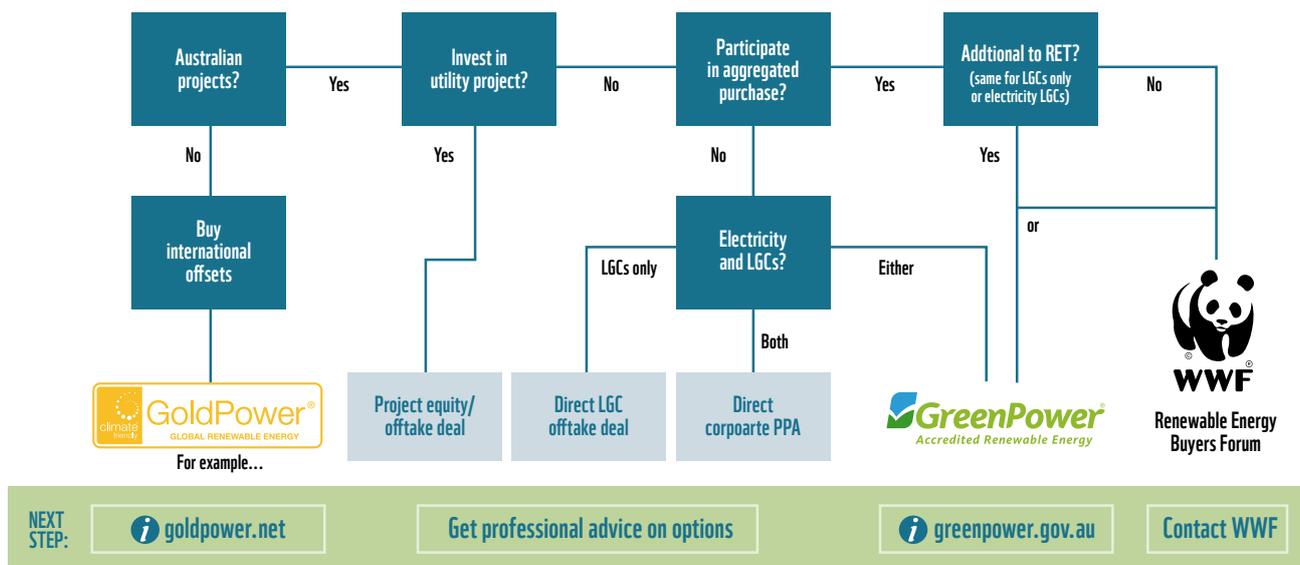
When deciding how to go about the purchase of grid renewable electricity you need to decide what you are trying to achieve. If mitigation of climate change is the main goal it may be acceptable to you and your stakeholders to purchase certified international carbon offsets, which may be cheaper than local options and are just as effective as local projects for climate mitigation. WWF supports only the Gold Standard carbon offset program because they have a higher level of integrity, transparency and accountability.

If you wish to help Australia transition to a cleaner energy system you should consider supporting a new, large scale utility renewables project. There is a large pipeline of permitted renewables projects

in Australia which will proceed when they have an offtaker for their power allowing them to secure finance. Businesses can provide direct equity or debt investment, or more likely, by becoming an offtaker of power or renewable energy certificates (LGCs) from such a project. Businesses can offtake individually, via a Corporate PPA or purchasing via GreenPower, or could join an aggregation initiative like the Forum. If seeking net zero emissions you will need to purchase additional renewable energy for all your remaining load, with additionality to the national RET as described in the introduction.

This process is illustrated in the decision-making flow chart of options in Diagram 5.

Diagram 5: Decision-making flow chart of options



# 6. CASE STUDY #1 - JLL RENEWABLE ENERGY AGGREGATION PROGRAM (REAP)

WWF and JLL (Jones Lang Lasalle) have joined forces to give Forum members the opportunity to participate in a pilot group renewable energy acquisition known as the Renewable Energy Aggregation Program (REAP). JLL will act as each participant’s client advocate in the process of securing renewable energy and its associated LGCs.

REAP aims to further the expansion of renewable energy projects in Australia by aggregating creditworthy energy users (participants), of varying electricity consumption and load shape, into a large utility-scale volume that will drive the market to provide the best possible combination of \$/kWh pricing, contract term and escalation rates to participants. It is intended that this project will be structured and managed so that it is not collective bargaining or acquisition and will result in a series of bilateral agreements rather than a group agreement.

All participants will get the same price for wholesale electricity plus LGCs regardless of their percentage of total load. All renewable electricity purchased under REAP will include the associated LGC stream. Participants can arrange to voluntarily surrender the LGCs, ensuring a claim of additionality can be made, or not, and the Clean Energy Regulator has indicated that this is an acceptable arrangement from their viewpoint.

WWF will participate as an unbiased observer, demand side purchaser and facilitator, supporting the process with coordination and verifying that best procurement practices are used. While JLL will charge a fee to the successful retailer/project developer and WWF will also take a modest fee for its services, the participant businesses won’t pay any fees to either.

The process will facilitate a power purchase agreement (PPA) between each selected project developer and the selected retailer. An Electricity Supply Agreement (ESA) will then be negotiated between the selected retailer and each participant for the electricity meters they have nominated. To be clear, a single retailer will be selected and will agree bilateral terms with each participant. The participant may elect to roll the rest of their electricity supply needs into the same contract or another contract with the same retailer, or may keep this separate. The price for wholesale electricity from the selected project(s) plus LGCs will be the same for each participant. Other charges such as for distribution, transmission, AEMO (Australian Energy Market Operator) costs, peak/off peak consumption and environmental programs will vary depending on the participant’s site locations, load profile. The contract structure is shown in Diagram 6.

Diagram 6: How the contract will work - Retailer as offtaker

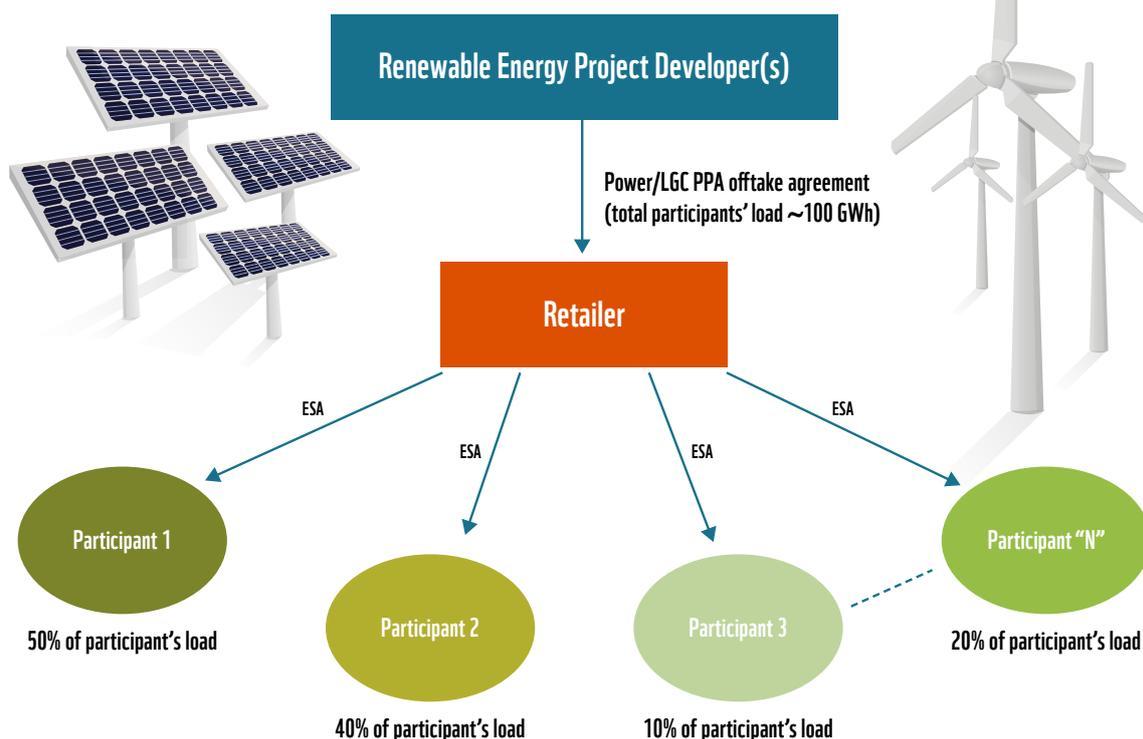
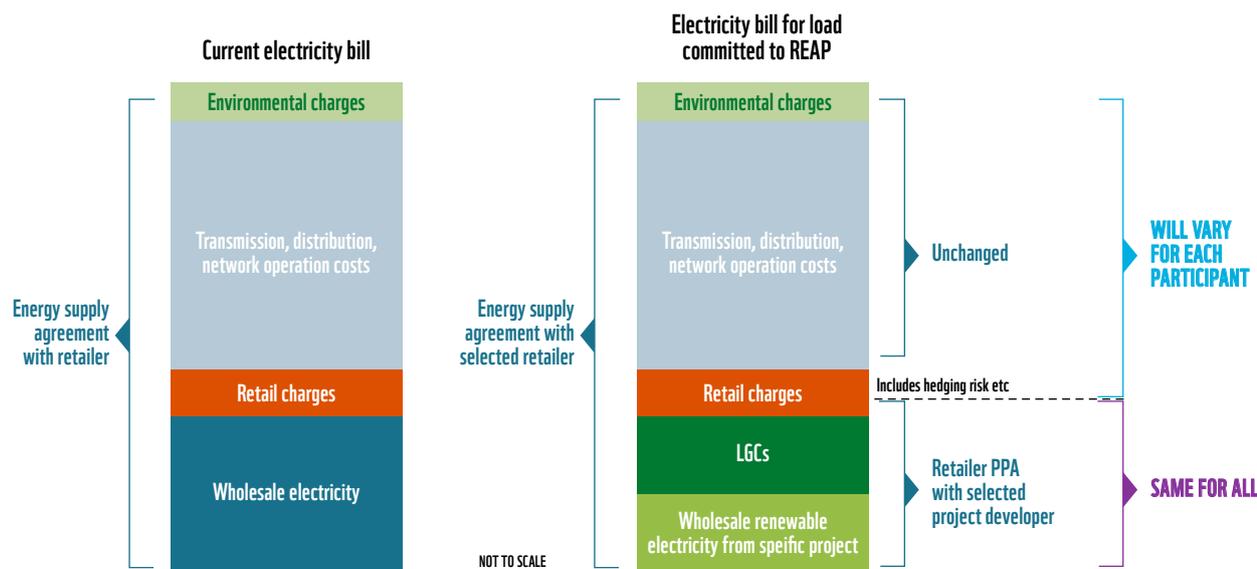


Diagram 7 below illustrates the portions of the electricity bill that REAP can influence (not to scale):

**Diagram 7: REAP will offer same price of LGCs and whole renewable electricity from project to all participants**



“Participants’ remaining power will be supplied through a normal ESA with the electricity retailer of their choice. Together, the REAP ESA and the normal ESA will serve your complete electricity needs. The retailer(s) will require the ESAs to specify which meters or national meter identifiers (NMIs) are covered by each. Your NMIs are listed on your electricity bill.

Beyond the legal boilerplate found in all PPAs, the primary business terms between the selected developers and the selected retailer are typically focused on the following points:

- term of PPA
- a guaranteed volume of electricity/LGCs to be delivered per year
- price/kWh for the power delivered
- LGC pricing over the term
- annual price escalation rate associated with the price/term
- contractual terms and costs (termination value) associated with early termination of PPA.

The process to be followed under REAP is as follows:

1. Each participant nominates a percentage of their electricity load and defines the go/no-go commercial criteria (Success Factors) they require before entering an ESA .
2. The aggregated pool of power is put out to tender to invited pre-qualified project developers, retailers and teams of developers/retailers.
3. Submitted bids will be screened on pricing and ability to meet or beat the Success Factors. A winning retailer and developers will be selected based on a combination of \$/kWh pricing, contract terms and the credibility/financial strength of the bidder.
4. Once selected, the winning retailer would negotiate a PPA with the winning developer(s) and an ESA with each participant individually.
5. The winning retailer purchases all the energy from the project once generating and that matches over the year (but not instantaneously) the amount purchased by the participants.

If successful this process will result in power delivery by late 2016 at the earliest, 2017 at the latest. As participants will have a spectrum of start dates for energy supply we expect a ramp up of supply over time.

# 7. CASE STUDY #2 - COLLABORATIVE THINKING ON CARBON REDUCTION

A Melbourne-based consortium, led by the City of Melbourne, is set to be the first group to trial an innovative energy purchasing model in Australia.

Designed to drive the development of new renewable energy power plants, the model matches large energy consumers with potential renewable energy power suppliers.

For part customers the model provides them with significant marketing and reputational benefits and the potential to make ongoing cost savings by locking in a competitive rate. In return the group's commitment to a long-term energy contract provides renewable energy project developers with enough investment certainty to proceed from concept to development.

Although this kind of purchasing model has been used in the United States, with large universities and corporates signing Power Purchase Agreements (PPAs) with large solar and wind farms, the Melbourne-based consortium, led by the City of Melbourne, is the first group to trial the group bulk-buying PPA model in Australia.

Chair of the City of Melbourne's Environment Portfolio, Cr Arron Wood said the purchasing group expects considerable interest from companies in the renewable energy sector. "This is about creating jobs for the future, supporting innovation and diversifying Melbourne's energy supply," Cr Wood said.

"Up to 140 jobs could be created in the construction phase, with a number of ongoing jobs in the operation and management of the plant. We are challenging the market to supply us with the right energy at the right price. If the market responds effectively, we will see a new renewable energy plant constructed within the next two years."

"We're finding a new way to drive investment in renewable energy in Australia. By pooling our electricity demand we will achieve enough scale to enable a new renewable energy plant to be built."

The partners in the Melbourne Renewable Energy Project come from a range of industries and include Australia Post, the University of Melbourne, RMIT, data centre service provider NEXTEC, Zoos Victoria, the City of Port Phillip, Moreland City Council, the City of Yarra, Citywide, Melbourne Convention and Exhibition Centre, Fed Square, NAB and Bank Australia.

A tender was released earlier this year by Procurement Australia, seeking responses from new renewable energy projects that were shovel-ready, with planning approvals in place.

While the partners in the Melbourne consortium pooled their electricity purchasing power to create enough demand to go to tender, any organisation with sufficient load, around 100 GWh/year, could go to tender on its own.

Companies which have established individual PPAs in the United States include energy-hungry tech industry giants Google, Apple and Microsoft, as well as large retail and pharmaceutical interests. "The fantastic thing is that the direct renewable energy purchase model is replicable," said Cr Wood. "We've already had strong international interest from local governments around the world about using the model to accelerate the transition to renewables."

The partners aim to purchase 110 GWh of energy from renewable sources, the equivalent of planting more than 160,000 trees, or powering more than 28,000 households every year.



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## 8. GLOSSARY OF ACRONYMS

AEMO	Australian Energy Market Operator
CDP	Carbon Disclosure Project
EIS	Environmental Impact Statement
ESA	Electricity Supply Agreement
GreenPower	Australian Government accredited renewable energy
GWh	Gigawatt hour
JLL	Jones Lang LaSalle
kW	kilowatt
LGC	Large scale Generation (renewable energy) Certificates
MWh	Megawatt hour
NABERS	National Australian Built Environment Rating System
NCOS	National Carbon Offset Standard
NDA	Non Disclosure Agreements
NMI	National Meter Identifier
NGERS	National Greenhouse and Energy Reporting
OECD	The Organisation for Economic Co-operation and Development
PPA	power purchase agreement
REAP	Renewable Energy Aggregation Program
REBF	Renewable Energy Buyers Forum
RET	Renewable Energy Target
RFI	Request for Information
WWF	World Wide Fund for Nature



# HELPING BUSINESS - PATHWAYS TO PURCHASE RENEWABLE ENERGY

**+100**

WWF is in over 100 countries, on 5 continents

**+5,000**

WWF has over 5,000 staff worldwide



**1961**

WWF was founded in 1961

**+5M**

WWF has over 5 million supporters



**Why we are here**

To stop the degradation of the planet's natural environment and to build a future in which humans live in harmony with nature.

[wwf.org.au](http://wwf.org.au)

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