

Attachment 11.1

Solar photovoltaic bulk purchasing pilot program

10 pages

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27 January 2010

Mr Jeff Tate
 City of Onkaparinga
 PO Box 1
 NOARLUNGA CENTRE SA 5168

COPY

Level 1, 16 Hutt Street
 Adelaide SA 5000

GPO Box 2693
 Adelaide SA 5001

Tel 08 8224 2000

Fax 08 8232 6336

Email lgasa@lga.sa.gov.au

Web www.lga.sa.gov.au

ABN 83 058 386 353

Dear Mr Tate

ZEN Solar photovoltaic (PV) bulk purchasing pilot program

The LGA has been approached by ZEN Home Energy Systems ("ZEN") regarding solar photovoltaic (PV) bulk purchasing opportunities for local communities to significantly increase the level of solar energy installations in South Australia in collaboration with the Local Government sector.

There are currently 9 regional Councils already participating in the ZEN program with the City of Victor Harbor being the first SA Council to participate.

The City of Victor Harbor has advised of the following benefits from their participation in the partnership with ZEN:

- 900 Victor Harbor households installed the system
- ZEN established a local office
- Three (3) local jobs created to staff the office
- 24 local electricians contracted for 9 month installation program
- Resident power savings estimated at \$250,000 annually
- \$30,000 ZEN/Adelaide University/Victor Harbor partnership for renewable energy research "proof of concept" (solar/wind hybrid)
- 900 households save approximately 1,170 tonnes of CO2 annually

The LGA and Local Government Corporate Services (LGCS) have been exploring the proposal by ZEN (refer Attachment 1) and considering sponsoring a pilot project with a greater number of Councils to further test the concept. The LGA and the LGCS are currently conducting due diligence investigations of ZEN and their proposal and will make this available to all Councils considering participation in the pilot.

A representative of your Council was invited to an information session at the LGA on Thursday 21 January 2010 to receive a presentation from ZEN and to discuss implications for Councils participating in a pilot project of this nature. At that meeting it was agreed that the LGA should write to those Councils invited to the session to:

- provide a brief summary of the ZEN proposal; and
- seek registrations of interest from Councils wishing to further investigate possible participation in a pilot program.

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This pilot project is primarily designed for the promotion of the solar PV bulk purchase for communities although Councils are encouraged to investigate opportunities for solar energy for Council buildings and facilities.

It is important for Councils to note that the time required by office staff is expected to be minimal. Councils will not be managing but simply promoting the project to the community.

It is expected that participating Councils could:

- Promote the program throughout their local community both through the local media and letterbox drop.
- Provide Council facility for local Road-shows, to allow for "one on one" consultation and registration
- Maintain program visibility and monitor progress
- Assist in identifying worthy community programs for program sponsorship
- Maintain frequent media relations at program milestones

There is no agreement of exclusivity and any member of the community can seek the services of any Solar PV provider at any time.

The next stage of the process involves:

- Conclusion of due diligence, including advice from an independent expert
- Execution of the initial Memorandum of Understanding between the LGA and ZEN
- Confirmation of Councils interested in participation
- Set timeframes, administration arrangements and evaluation criteria

It is proposed to establish a reference group with representatives of participating Councils during the investigation phase and the conduct of the pilot program (if feasible).

Please advise if your Council is interested in exploring participation in the pilot program as soon as practical and a contact officer to participate in the reference group, if appropriate.

Yours sincerely



Michael Barry
Director Environment & Development

Telephone: 8224 2033
Email: michael.barry@lga.sa.gov.au

Attach: ZEN - LGA C-Prep Solar Council Program
Cc: Maggle Hine
Ben Calder



LGA Community Purchase of Renewable Energy Program (C-Prep) Information Document

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Version 1.0

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Revision History

Date	Version	Description	Author
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Program Introduction

ZEN Home Energy Systems is a South Australian owned and operated company and one of the largest integrators and installers of Solar Home Energy and Solar Commercial Energy Systems in Australia.
(www.zenhomeenergy.com)

The company is regarded as the pioneers of the Solar Councils Program in Australia.

ZEN has so far successfully installed thousands of Premium Quality ZEN Solar Home Energy Systems across 14 Councils nationally and last year was awarded the Victorian LGA's "Award for Excellence in Sustainability" for their Shire Council Program in regional Victoria. ZEN has achieved up to 10% population uptake of systems in their participating councils whilst delivering significant and sustained local Economic Development.

Currently participating South Australian Councils

- City of Victor Harbor (lead council)
- Alexandrina Council
- Yankalilla Council
- Kangaroo Island Council
- Mount Barker Council
- Adelaide Hills Council
- Barossa Valley Council
- Light Regional Council
- Waikerie-Loxton Council

