



A Co-operative venture of the municipalities of:
Cockburn, East Fremantle, Fremantle, Kwinana, Melville & Rockingham

Date: 21 October 2011
Contact: Mick McCarthy (08) 9364 0631
Reference: CEEP Consultation Paper 21/10/11

Low Carbon Communities—CEEP
Department of Climate Change and Energy Efficiency
GPO Box 854
CANBERRA ACT 2601

Dear Sir,

**COMMUNITY ENERGY EFFICIENCY PROGRAM – DESIGN OPTIONS
PUBLIC CONSULTATION PAPER SEPTEMBER 2011**

This submission from the South West Groups is in response to the above report prepared by the Department of Climate Change and Energy Efficiency.

The South West Group, formed in November 1983, is a Voluntary Regional Organisation of Councils (VROC). It comprises the Cities of Cockburn, Fremantle, Melville, and Rockingham, and the Towns of East Fremantle and Kwinana. The South West Group is managed by a Board consisting of the Mayors and CEOs of its member local governments.

The South West Group seeks to work with these six local governments and through cooperation with industry, community and the other spheres of government to capture a wide range of opportunities to enhance economic growth as well as supporting a diversity of quality lifestyles whilst servicing and sustaining cohesive, productive communities in an enviable environmental setting.

The funding available through the Community Energy Efficiency Program (CEEP) would assist the member Councils in advancing energy efficiency activities, particularly in regards to street lighting and facilities management.

The South West Group submission on the consultation paper considers a number of key issues related to energy generation, eligibility of funding for contribution from Western Power (State Government instrumentality) and project management costs for regionally coordinated project.

Energy generation

According to the Attachment A (page 20), the installation of renewable energy generation systems such as photovoltaic, micro-wind, wind turbine and biomass generation is not eligible.

Although it is recognised that these systems are eligible for Renewable Energy Certificates (RECs), it is recommended that energy generation systems be eligible for funding under CEEP. Under this arrangement, the RECs earned through a part funded CEEP project could be shared between the grant recipient and the Federal Government.

Eligibility of funding for contribution from Western Power (State Government instrumentality)

On page 10 of the draft consultation paper, state or territory government agencies are not eligible for CEEP funding. The South West Group member Councils have been considering the feasibility of a regional street lighting retrofit program through the installation of energy efficient globes and lamps.

Western Power, which is a trading enterprise established by the State Government, owns and maintains the street light networks. Local government are responsible for street lighting energy costs for minor road lighting and open space lighting (Category P Lighting). These costs are significant and account for 40-50% of total energy costs for the member Councils.

It is recommended that the CEEP eligibility criteria should be changed to enable the contribution from State Government trading instrumentalities, such as Western Power, to be eligible for matching CEEP funding in projects such as street lighting retrofit programs involving the installation of energy efficient globes and lamps. This would enable the acceleration of street lighting retrofitting programs and significantly reduce associated greenhouse gas emissions from this major energy source.

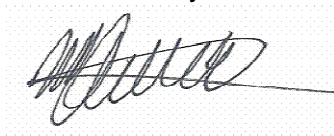
Project management costs for regionally coordinated project

A regional scale street light retrofitting program using energy efficient globes and lamps would require regional coordination and project management. According to the table in Attachment A (page 19), a limit of \$40,000 has been placed on salaries for project coordination/management. This limit would impose restrictions for a regional scale street light retrofit project requiring full time coordinator and project manager.

It is recommended that the \$40,000 limit be removed and that 10% of total project costs be retained for project coordination and management.

I trust that you will consider the issues raised above in finalising the funding guidelines and design options.

Yours sincerely



Mick McCarthy
Director South West Group