

MOTION ON NOTICE

Councillor Hyde will move a motion and seek a seconder for the matter shown below to facilitate consideration by the Council:

'That Council:

Requests the Administration provide advice to the July 2022 meeting of the Council about the potential for a group power purchasing arrangement (PPA) for renewable electricity by city-based businesses.'

ADMINISTRATION COMMENT

1. The Council's own operations have run on 100% renewable electricity since 1 July 2020 through a power purchase agreement (PPA) with Flow Power.
2. Some stakeholders expressed interest in the City of Adelaide facilitating a PPA arrangement for Adelaide-based businesses during our climate action community engagements from February 2022 through to April 2022.
3. Commercial electricity consumption is a significant contributor to the City of Adelaide community's carbon footprint, responsible for 32% of total emissions.
4. In addition to reducing the climate impact of Adelaide businesses, co-benefits of undertaking a group renewables purchase include:
 - 4.1. Potential cost savings for local businesses and increased certainty of electricity bills.
 - 4.2. Support for new renewable energy industries and potential job creation elsewhere in South Australia.
5. We are preparing a draft Climate Action Plan 2022-2025 for presentation to Council at the August 2022 meeting. The draft Plan includes an action to "facilitate a mechanism for city businesses to collectively purchase renewable electricity (eg through a PPA or other platform)". The initial work would involve project scoping and seeking expressions of interest from the business community.
6. The City of Melbourne has facilitated two multi-partner renewable electricity PPAs. The Melbourne Renewable Energy Project One (MREP1) involved fourteen local governments, cultural institutions, universities and corporations supporting the construction of a Victorian windfarm. They have since facilitated a second project (MREP2) which includes seven large energy users. Together, MREP 1 and 2 have reduced the equivalent of 5% of the city's emissions.
7. Should this motion be carried, additional detail on the potential for a group PPA for renewable electricity by city-based businesses will be provided at the July meeting 2022.

Should the motion be carried, the following implications of this motion should be considered. Note any costs provided are estimates only – no quotes or prices have been obtained:

Public consultation	Response was informed by stakeholder feedback as part of climate action community engagement undertaken between February and April 2022.
External consultant advice	The Business Renewables Centre Australia is a peak advisory body on business power purchase agreements. We would seek general advice on implementation of the motion.
Legal advice / litigation (eg contract breach)	Not applicable
Impacts on existing projects	Not applicable
Budget reallocation	Should this proceed, existing budget resources would be directed from the existing Climate Change Action Initiative Fund.
Capital investment	Not applicable
Staff time in preparing the workshop / report requested in the motion	8-12 hours
Other	Not applicable
Staff time in receiving and preparing this administration comment	To prepare this administration comment in response to the motion on notice took approximately 5.5 hours.

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