

# Renewable Newstead

Seeking expressions of interest



Renewable  
Newstead

## Project summary:

- Seeking retail, solar farm (finance and EPC) and demand management partners to build up to 9MW\* solar farm, with a minimum 2MW allocated to the Newstead community. \*DA pending - feedback suggests 9MW upper limit
- EOI due September 7; RFQ to be released late September, responses due end October.
- Explicit goal to demonstrate a scalable model for 100% renewable energy supply, that works independent of subsidies. Relationships in place across Victorian communities to help scale success.
- Deeply engaged Newstead community group working as project developer to de-risk investment. Land secured, planning underway, primed community/customers, with funding from State Government (up to \$1m total funding available - note: funding scales down with solar farm size ~ \$825k for 5MW inclusive of project development cost).
- Powercor has been closely involved since 2016, enabling data sharing and collaboration on model design. The collaboration is ongoing, with Powercor a project partner and cornerstone for scaling “The Newstead Model”

# 100% Renewable Newstead: Why does it matter?

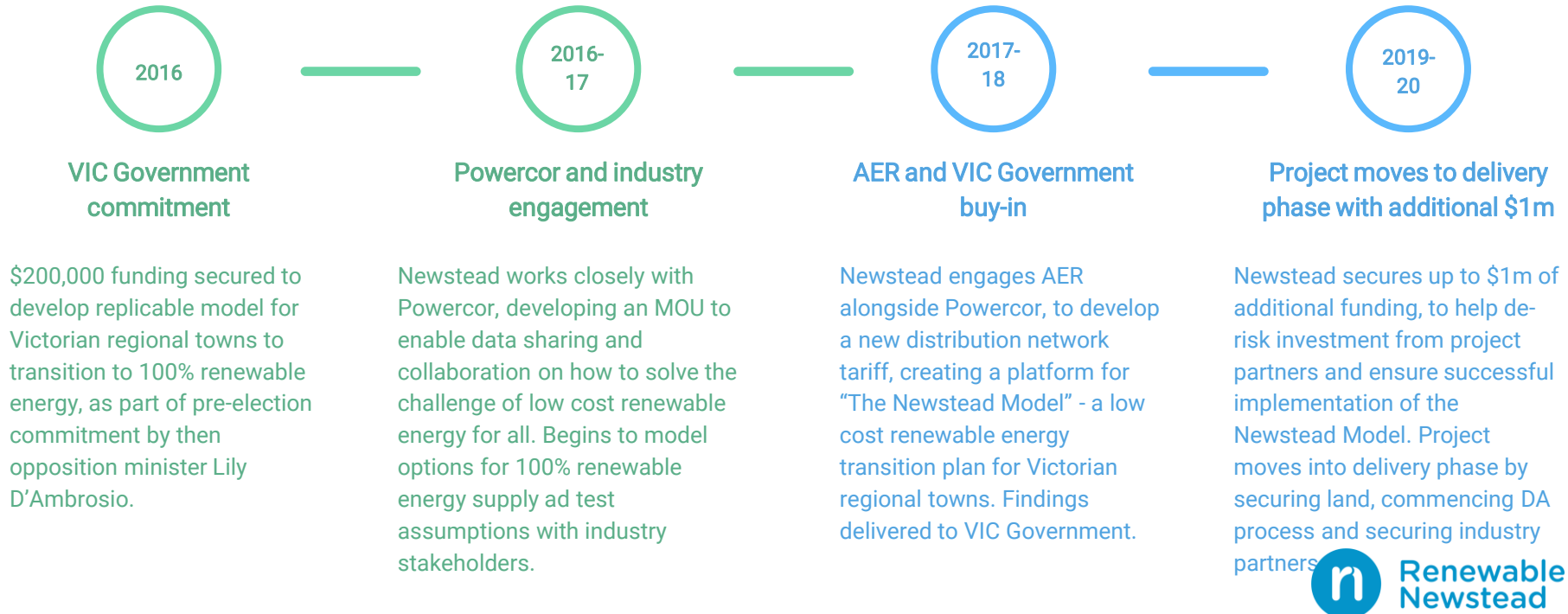
The Newstead Solution: Aims to solve 5 Key Challenges in the transition to 100% renewables:

1. *Constraints and congestion on the network* - Newstead planning process (DA lodged) and preparations advanced with Powercor for a formal connection processing targeting minimum 5MW initially, with the potential for future expansion to 9MW subject to AEMO approval processes and network planning;
2. *The duck curve* - proposed retail offer is for a low daytime rate (~10c/kWh) enabled by innovative Powercor tariff\*, to encourage load shifting, including use of smart hot water load management to match demand with supply;
3. *The perceived need for renewable subsidies* - Powercor tariff levels the playing field between solar farms and rooftop solar, and shows renewables can reduce energy bills for all consumers. Option to create long term (10 year) retail contract to further de-risk investment and accrue value via avoided retail churn costs;
4. *Intermittent supply from renewables* - scope to add storage behind the meter or in front, pending partner preferences, or simply balance local supply from centralised generation and storage in combination with control of hot water loads;
5. *Fuel switching* - Powercor tariff and pass through of low cost solar rates, create strong incentive to fuel switch from wood and gas to electricity - can be a big driver of enhanced network utilisation and lower cost of supply for regional towns.

\*note: Powercor will discuss and collaborate on final tariff arrangements with preferred partner. The current tariff trial design is for a high fixed charge, zero usage charge tariff with a small demand component (~ \$1/day, \$2/kW/mth, \$0/kWh).

# 100% Renewable Newstead: Reputation matters too

## The Newstead Model: A history and track record of success



# 100% Renewable Newstead: Where to next?

## Pathway to scaling the Newstead solution:

- Deep engagement from Powercor senior management and the AER – Newstead is developing as a model for communities to invest in building shared renewable generation infrastructure
- Newstead has a network of 30+ Victorian communities in its orbit, waiting to see project results



# 100% Renewable Newstead: The EOI process

## Renewable Newstead Seeks Partners: Why an EOI phase?

- We will strongly encourage a single applicant to lead the response to the RFQ.
- Our expectation is that this single applicant will represent a consortia of companies that can deliver all project elements in an integrated solution, comprising solar farm finance and build/maintain services, retail supply and demand management innovation (hot water loads, battery storage, etc).
- We recognise this may require additional lead time and coordination effort. Hence the EOI phase is both an opportunity to respond and indicate your interest, but also to begin a process of collaboration.
- If we can connect you with other solution providers as part of the EOI process, we will do so subject to your approval.

# 100% Renewable Newstead: The EOI process

## Renewable Newstead Seeks Partners: What are we looking for?

**Retail:** looking for a no fuss, low rate for 100% renewables on the back of 10-year + offtake with local solar farm

- Minimum 2MW supply likely to Newstead, up to 7MW offtake available for commercial customers in the region pending final decision on solar farm size. Anticipate minimum solar farm size of 5MW, maximum of 9MW;
- Newstead working locally to help drive interest in commercial offtake including with Mount Alexander Shire Council
- Tariff to residents must include pass through of low daytime rate with fixed margin from solar farm, and pass through of network charges

**Solar farm finance:** looking for a partner to work collaboratively with a retailer to structure long term PPA balancing risk/reward

**Solar farm EPC:** reputable with a strong balance sheet - strong preference for local labour component.

**Demand management:** help de-risk the project and add value for retail and finance partners, by matching supply and demand

- Likely focus on hot water load control, but open to other solutions including battery storage, a/c load control, and alternatives

# 100% Renewable Newstead: EOI Summary

## Timelines:

- EOI released August 20, closes September 7
- RFQ expected to be released mid September, closing end October - RFQ will encourage, but not require one lead applicant

## EOI Outcomes Sought:

- Opportunity for Newstead to Identify and start screening process for project partners;
- Opportunity for project partners learn about Newstead's ambition and begin to organise collaboration agreements, in anticipation of RFQ
  - We anticipate collaboration between consortia partners will be critical to project success, and so have allowed additional time via the EOI process for this to commence

Contact: Don Culvenor ([deculvenor@gmail.com](mailto:deculvenor@gmail.com)) and cc Newstead ([info@renewablenewstead.com.au](mailto:info@renewablenewstead.com.au)), and Tosh Szatow ([tosh@energyforthepeople.com.au](mailto:tosh@energyforthepeople.com.au)) via email.

# 100% Renewable Newstead

## Appendices:

- Load profile
- Media coverage
- Local support



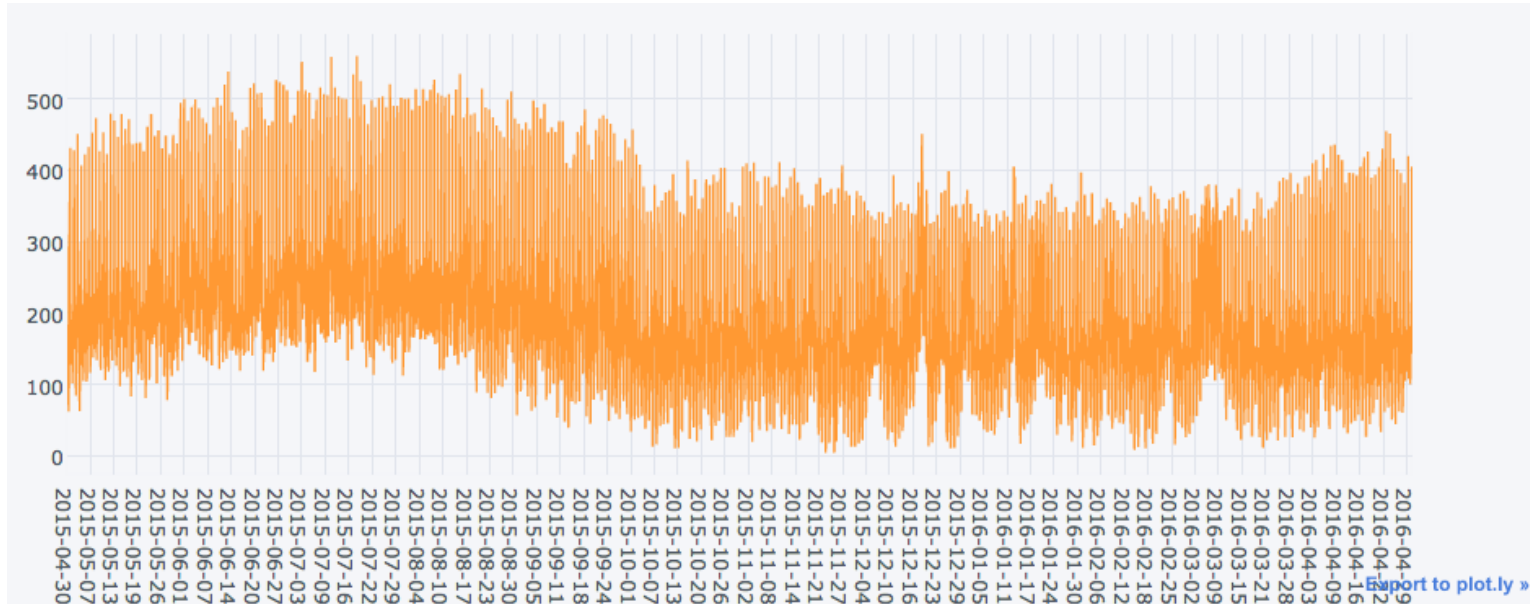
# 100% Renewable Newstead: Load Profile

Annual demand ~ 3GWh/pa with winter bias.

60% of demand occurs at peak times, defined as 7am-11pm on weekdays.

Evening demand spikes occur with off peak hot water systems being common (~ 400MWh/pa controlled load or dedicated circuit tariff)

Updated load profile being provided by Powercor - will be shared as part of the RFQ process



# 100% Renewable Newstead: Media Coverage

*A sample of media coverage tracking project evolution:*

Energy Minister: 2015 - [initial \\$200,000 funding secured](#)

The Guardian: 2016 - [Newstead signs MOU with Powercor](#) (and [ministers sign off](#))

Renew Economy: 2018 - [Tariff trial with Powercor and AER](#) (note: tariff trial subsequently extended to accommodate project timelines)

Bendigo Advertiser: 2018 - [Newstead, a community changing with the times](#)

One Step off the Grid 2020 - [Newstead model a template for 100% renewables](#)

# 100% Renewable Newstead: local support

