

LOW CARBON COMMUNITIES ENOVA'S ROLE

Australia's first community owned energy retailer

WHAT IS ENOVA?

Australia's first community owned energy retailing company

Established to

- Assist the community to reduce carbon emissions
- Benefit the community

BACKGROUND TO ENOVA



- Developed in response to regional community concerns
- Climate change and
- Coal seam gas mining
- Community demand for more renewable generation
- The gap – a community retailer needed
- 2015 Feasibility Study > Business plan
- Retail Licence application + Prospectus
- Capital raised



- **Capital raise: Late August to December 2015**
- **30+ events in region plus Sydney Brisbane and Newcastle**
- **Story is one of community**
- **1100 investors, 75% from region**
- **\$4m raised**

**2016 set up systems > June first customers > now
1100+**



Enova Community
Energy Ltd
Holding Company

Enova
Energy Pty
Retail Arm
Energy
Solutions
Arm

Finance arm
(to come)

Enova
Community
Ltd
Not for
Profit

COMMUNITY PROJECTS

- Education
- Community benefit
- Community Generation and Partnerships

EDUCATION

- Volunteers recruited, trained and carrying out energy audits: Enova Energy Coaches
- Now providing support at stalls and events
- Year ahead offering presentations to organisations, clubs and schools
- Other regions seeking training for Enova Energy Coaches
- Video ad seeking volunteers on website
- Physical and virtual Info Hub in planning

GET INVOLVED!
MAKE A DIFFERENCE



COMMUNITY BENEFIT PROJECTS

- RED Inc Project
- OEH – NCCH project
- \$500K revolving fund for renewable on community and other organisations
 - First 2 community rooftops agreed



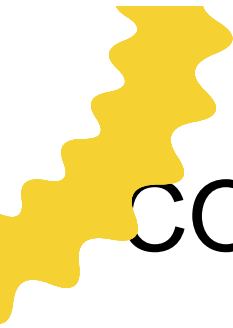


COMMUNITY GENERATION

- Our licence allows us to sell across NEM (Vic aside)
- Our back-office systems are scalable
- We can shape relationships /partnerships to meet the needs of other regional communities

VISION

- Communities powering themselves across Australia



COMMUNITY GENERATION - APPROACH

- Focus on purchasing energy from community scale renewable generators at premium price
- Subsidise additional cost to our customers: renewable energy at “a coffee a week”
- Initially not enough projects in any one region to supply customers so broader focus
- Progressively grow local supply so communities can see their suppliers

COMMUNITY GENERATION



Kick starting local renewable generation

- Enova established Renewable Development Initiative
- Contribute 13% of your Enova bill toward a development fund to assist develop local community generation

Expression of interest to supply Enova and its customers with renewable energy

- Enova is looking for local renewable energy projects it can support by purchasing the energy to meet our customers' needs

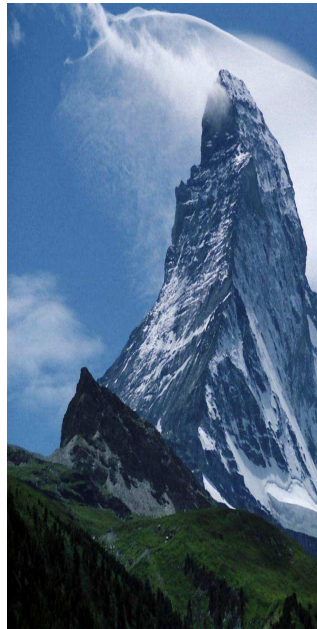
MOUs agreed for 4 projects

- Byron Shire Council and COREM to explore development of solar farm at council facility involving community ownership
- Solar Share Canberra - to become retailer and purchaser of energy for community owned generation project.
- CE4G (Goulburn) - to become retailer and purchaser of energy for community owned generation project.
- South Coast Health and Sustainability Alliance (SHASA) to partner as they roll out a bulk buy and look to a community generation project

THE BIG CHALLENGE

NETWORK DISTRIBUTION CHARGES

- Full network charges paid by customers irrespective of source (across the street or 250km away)
- Energy generated sold at wholesale, bought at retail prices (incl. full network charges)
- Lower use of system costs not recognised
- V difficult for local/community owned generation to be economically viable





THE OUTCOME

- Strong incentive to focus on “behind the meter” solutions - including battery storage - and reduce grid consumption
- Perverse incentive to duplicate infrastructure
- Sub-optimal sizing and operation of generators
- Status quo will increase costs for consumers left using *only* grid electricity, as infrastructure costs are recouped from smaller sales volumes

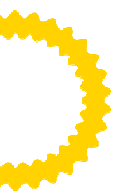
NEEDED

REGULATORY CHANGE

- Local network charges: reduced tariffs for electricity generation used within a defined local network area
- Local Electricity Trading”(VNM) requires *netting off* generation from one site at another site on a time-of-use basis, so Site 1 can ‘sell’ or assign generation to nearby Site 2

OR

- At least some pilot projects with a cooperative distributor to test the regulations



How **You** Can Help Enova Help Your Community to 100% Renewable

Switch to Enova, your energy company

- ✓ Profits DO NOT go back to supporting fossil fuel generation or CSG mining
- ✓ Dedicated to transitioning communities from fossil fuel to local renewable energy

Get involved in community renewable energy projects - & partner with Enova

Create a group of volunteers and become Enova Energy Coaches



ANY QUESTIONS?

WWW.ENOVAENERGY.COM.AU



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YOU !

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It's YOUR Energy Company™

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Take the power back at:
enovaenergy.com.au



Meet Your New
Power Broker:
It's YOU !

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POSSIBLE OUTCOME : MUTUAL BENEFITS

LOCAL ENERGY BENEFITS

- Reduced transmission and distribution losses
- Potential to save money on network investment
- Emissions reduction
- Increased resilience
- Technical network services
- Community empowerment

NETWORK BENEFITS

- Provides local generators access to bigger markets
- Keeps high level of reliability
- Allows local generator to run system for maximum efficiency
- Supports technical requirements of consumers