



PO Box 4078
131 Myers Street GEELONG VICTORIA 3220
www.G21.com.au G21info@G21.com.au

TEL: +61 3 5227 4000
FAX: +61 3 5224 2594
ACN 110 680 647
ABN 14 110 680 647

Ref: 2018-186-let-ECC

13 July 2018

Energy Security Board
info@esb.org.au

Dear Energy Security Board,

Re: National Energy Guarantee - Draft Detailed Design Consultation Paper

Thank you for the opportunity to comment on the Draft Detailed Design Consultation Paper for the National Energy Guarantee.

G21 - Geelong Region Alliance (G21) is the formal alliance of government, business and community organisations working together to improve the lives of people within the Geelong region across five municipalities - Colac Otway, Golden Plains, Greater Geelong, Queenscliffe and Surf Coast. G21 coordinates regional-level strategic planning for our region.

The G21 Geelong Region Plan - a sustainable growth strategy is the foundation of all G21 activities and projects. Refocusing our economy is one of five directions for the region, to be addressed by:

- Responding to global competition
- Improving industry efficiency, innovation and commercialisation
- Reducing skills gaps and shortages
- Improving the operating environment for business

Our plan recognises the importance of strategic or opportunistic alliances between firms, distribution and supply links in improving industry efficiency, innovation and commercialisation. The region also relies on the health of the environment, with a key challenge being how we respond to climate change.

In this respect, we highlight that energy-related projects are being collaboratively developed between key manufacturing businesses, regional agencies and communities in the G21 region, with the aim of delivering multiple economic, social and environmental outcomes through innovative partnerships. The potential value of these opportunities exceeds \$100 million.

The Emissions Guarantee component of the NEG will have a bearing on the viability of collaborative projects that involve energy generation and consumption.

Investment in collaborative projects is based on an ability to deliver and share in multiple benefits. In the case of renewable energy projects, organisations such as Barwon Water are willing to invest in collaborative projects in order to achieve voluntary renewable energy and emissions reduction targets.

*G21 is the formal alliance of government, business and community organisations,
working together to improve people's lives in the Geelong region.*

The current mechanism enabling trading of renewable energy and associated emissions reduction rights is the creation, transfer and voluntary surrender of Large-scale Generation Certificates (LGCs). Projects underpinned by LGC trading for voluntary purposes are not limited to grid-scale generation; these can include bespoke-scale projects that generate energy consumed behind-the-meter.

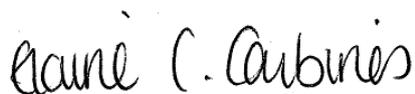
The consultation paper refers to the GreenPower scheme as a mechanism for voluntary action, however makes no mention of the use of LGCs in the manner described above.

The design of the NEG should clarify and support the role of LGCs in trading of project benefits to achieve organisations voluntary renewable energy and emissions reduction targets.

Maintaining the ability to share project benefits in this manner will enable continued pursuit of collaborative projects that not only deliver emissions reductions, but underpin regional growth and employment.

Should you have any queries or wish to discuss our submission, please contact me on 5227 4000 or 0437 202 300.

Yours sincerely,



Elaine Carbinis
CHIEF EXECUTIVE OFFICER

