

Australian Alliance to Save Energy (A2SE) Newsletter - April 2015

The Energy White Paper

The Energy White Paper was released in early April. The Paper sets out the Government's high-level approach to policy across the energy sector. Energy productivity has been elevated in prominence from the Green Paper (in which it was an 'also ran' measure) to the White Paper where it is nominated as one of the three key elements of the energy policy framework. A2SE can claim some credit for the recognition of the importance of energy productivity to the Australian economy. The White Paper confirms that the COAG Energy Council will develop an energy productivity 'framework' and announced that the Commonwealth will develop a National Energy Productivity Plan. The Plan may include a national energy productivity improvement target of 'up to 40%' by 2030 (it is not yet clear exactly how this target would be defined – if it is an energy intensity improvement it would relate quite closely to 2xEP).

Reactions to the White Paper varied. Criticism focused on the downplaying of climate change as a constraint/driver to a national energy strategy. We chose to welcome the positive approach to energy productivity.

- The Energy White Paper and related material are here
- The A2SE media release is here
- Australian Chamber of Commerce and Industry media release is here
- ClimateWorks Australia media release is here

A2SE elected a new board of directors at our AGM

Current directors are:

Marc **Barrington**, Head of Energy Services, **AGL** Energy Limited Vaughan **Furniss**, Managing Director, **Cofely** Australia

Jonathan Jutsen, Founder and Chief Innovation Officer, Energetics (Chairman)

Andrew Lamble, Co-Founder and Chief Operating Officer, Envizi

Brian Morris, Vice-President, Energy and Sustainability Services, Schneider Electric

Glenn Platt, Group Leader, Energy Technology, CSIRO

Kenton Risk, Head of Infrastructure & Campus Solutions, Veolia Australia and New Zealand

Scott Taylor, Executive General Manager Living Utilities, Lend Lease

Laura Van Wie McGrory, Vice President International Policy, US Alliance to Save Energy

Christian Weeks, Managing Director, EnerNOC

Stuart White, Director, Institute for Sustainable Futures, UTS

The 2xEP Roadmap program is reaching out

If you have expertise and interest in the **passenger transport** or **built environment** sectors, please drop a line to 2exp@a2se.org.au. We'd like to involve you in development of Roadmaps for those sectors. If you have expertise and interest in any of these areas - manufacturing, mining, agriculture - and haven't yet made contact, please send a message to 2exp@a2se.org.au. Work has begun.

Energy productivity on the national agenda

Our half-day briefing planned for late April in Canberra has been postponed to **Wednesday 17 June.** Details will follow but please mark the date.

Recently published: Of willpower and magic... writing in *RenewEconomy*, Craig Morris reports on German ambition to reduce energy consumption by half by 2050 here

A2SE is developing a Voluntary Commitment Program

As participants in the **2xEP Challenge** organisations would commit to double their energy productivity by 2030 (from a 2010 base). The Challenge would be open to private sector companies, government agencies, non-government organisations and institutions including in the education sector.

Voluntary programs encourage organisations to participate and achieve outcomes through:

- **Delivering public recognition for participation.** Significant brand positioning opportunities are created for participants through promotion of participants and their ongoing achievements.
- Providing financial 'carrot' (and/or 'stick') to encourage take-up: This will primarily involve
 offering special incentives and implementation support for organisations that participate.
 (We are not proposing a disincentive for not participating like there is in Germany where an
 energy tax is levied on all companies except those signing up to a 'voluntary' savings
 program).
- Creating a strong business case for participation. Achieving 2xEP by 2030 (from 2010 base) will involve substantial reductions in energy costs and increase in economic output. The Challenge program will demonstrate case study results achieved by participants in the program to encourage other organisations to participate.

Ideally the program will be sufficiently attractive that it can ultimately be marketed as a 'members club' which organisations are keen to join based on the benefits of participation.

We are hoping to launch the 2xEP Challenge program in the next 3-5 months to demonstrate that 2xEP is a real delivery program. The Challenge will get quick runs on the board in parallel with the development and delivery of a 2xEP Roadmap in each sector of the economy.

Energy Productivity in Action - Delta's an alpha in clean energy generation

One power company's pioneering move to champion the use of timber waste to generate electricity is not only benefiting the environment, it is helping keep local sawmills running.

Delta Electricity's biomass co-firing program at its Vales Point power station on the NSW Central Coast uses sawmill residues – waste products that include sawdust, woodchips and shavings – to replace a proportion of coal use with a cleaner burning, renewable fuel.

Delta Manager for Sustainability Justin Flood says while there is an industry wide focus on reducing the greenhouse impacts of coal fired generation, no other Australian coal-fired generator has been as heavily involved in biomass co-firing.

Delta's program comprises two parts – direct co-firing of biomass with a small proportion of coal (typically 2%) and the development of Continuous Biomass Converter (CBC) technology with the Crucible Group to enable much higher rates of biomass co-firing.

Justin says the move has effectively displaced coal-fired power generation, and reduced carbon dioxide emissions by over 32,000 tonnes a year.

"By maintaining an active biomass co-firing program, timber sawmills that lost their market for sawmill residues were able to remain viable as our program provides a replacement income stream for 32,000 tonnes of waste product."

Along with certainty of output, the biomass program also enables Delta to service its industrial customers with Renewable Energy Certificates.

Delta Electricity – a Silver member of OEH's Sustainability Advantage program – will be
acknowledged at the inaugural Energy Productivity in Action business recognition event in June.
The event is organised by OEH in partnership with the Energy Efficiency Council, NSW Business
Chamber and Australian Alliance to Save Energy. To find out more about how OEH can assist
your business, email energy.saver@environment.nsw.gov.au.





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