



MEDIA RELEASE

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18 NSW councils sign 39GWh per year landmark renewable energy agreement to cut emissions and costs

In a NSW first, the Southern Sydney Regional Organisation of Councils Inc (SSROC) has signed a landmark agreement on behalf of 18 councils that will result in up to 35% of their retail electricity being supplied by a renewable energy generator from 1 July 2019.

This innovative approach, achieved through a renewable energy Power Purchase Agreement (PPA), allows councils to purchase renewable electricity without exposure to the volatility of the National Electricity Market (NEM). The renewable energy PPA will provide councils with significant cost savings compared to the current market while also reducing their carbon emissions.

The ground-breaking contract will provide councils with renewable energy from the Moree Solar Farm project until the end of 2030, with the balance of their retail electricity needs being supplied as regular grid electricity by Origin Energy for at least the next three years. Around 440,000 MWh of renewable energy will be supplied to the councils over the life of agreement.

Under the agreement, councils will be able to procure their renewable energy requirements at a fixed price while having access to a competitive market rate for the balance of their retail electricity needs, for the life of the agreement. Councils will have the opportunity to approach the market again in three years to increase their offtake of renewable energy.

Mayor of Burwood Council and SSROC President, Councillor John Faker said, "This is a huge achievement by local government. Councils will save money, lower their risk and reduce their carbon emissions. It will also give a much-needed boost to the renewable energy industry in NSW. It is a major part of the regional Renewable Energy Master Plan, Our Energy Future."

Origin Energy Executive General Manager, Energy Supply and Operations, Greg Jarvis said, "A growing number of customers are actively choosing renewable energy and SSROC came to us wanting a cost effective renewable energy solution. Origin has structured an agreement that gives these councils solar power from Moree Solar Farm during the day and firm generation at other times to cover demand around the clock".

Director of Sourced Energy, David West, who is advising SSROC on this PPA said, "This is a great deal for councils and for NSW. This agreement is truly innovative in its approach to price risk and we have been delighted to work with SSROC to find a way to successfully deliver it to so many councils".

SSROC General Manager, Namoi Dougall said, "This is a new and exciting model for electricity supply and a prime example of what councils can achieve when we work together. SSROC is proud to have led the charge towards securing a more sustainable future for councils through this approach to buying renewable energy".

Fast Facts:**Origin Energy:**

Origin Energy (ASX: ORG) is the leading Australian integrated energy company. Origin is the leading energy retailer with approximately 4.2 million customer accounts, has approximately 6,000 MW of power generation capacity and is also a large natural gas supplier. Origin is the upstream operator of Australia Pacific LNG, which supplies natural gas to domestic markets and exports LNG under long term contracts.

www.originenergy.com.au

SSROC:

The Southern Sydney Regional Organisation of Councils (SSROC) is an association of 11 councils spanning Sydney's southern suburbs, eastern suburbs, CBD, and inner west and covering a third of the Greater Sydney's population, or 1.7m people. SSROC provides a forum through which our member councils exchange ideas and work collaboratively to solve regional issues and contribute to the future sustainability of the region. We facilitate joint projects and procurement, and advocate on behalf of our region to ensure that the major issues are addressed by all levels of government.

SSROC plays a key role in helping member councils define their procurement requirements and scope of works to obtain what they need at best value. Participation in regional contracts continues to be strong, with SSROC procuring goods and services worth approximately \$32 million in the 2016-2017 financial year on behalf of the member councils, along with maintenance of approximately 35 regional contracts for its member councils to utilise. SSROC offers procurement support to all member councils.

During the 2017-2018 financial year, SSROC has undertaken numerous tenders for existing and new regional contracts, including banking, mattress collection and recovery, asphalt road marking and associated products (in collaboration with LGP), and the Renewable Energy Power Purchase Agreement (PPA).

<http://ssroc.nsw.gov.au>

Sourced Energy:

Sourced Energy is an advisory firm of top energy industry professionals with niche expertise that allows them to deliver market leading energy advice and services to clients. Sourced Energy's services help its commercial and government clients reduce energy cost, management burden and environmental impact.

<http://www.sourcedenergy.com.au/>

Agreement Details:

- The 18 Councils in this joint renewable energy and retail electricity contract are Bayside, Campbelltown, Canada Bay, Canterbury-Bankstown, Georges River, Hunters Hill, Inner West, Ku-Ring Gai, Liverpool, North Sydney, Parramatta, Randwick, Ryde, Singleton, Sutherland Shire, Waverley, Willoughby and Woollahra.
- Lane Cove and Mosman Council participated in the retail electricity component of the process only.

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