

Clean Energy for Remote Communities

About this initiative

Many remote communities in Western Queensland, Cape York, and the Torres Strait Islands rely almost entirely on diesel fuel for electricity generation.

Announced in the 2009–10 State Budget, *Clean Energy for Remote Communities* will change the way energy is supplied and used within these isolated networks over the next five years and beyond. Initially, \$5 million has been allocated to trial energy efficiency and energy conservation initiatives in selected communities, and explore renewable energy options.

Pilot projects in Thursday Island, Horn Island and the Northern Peninsula Area may include:

- free energy consultations to all customers in the pilot communities focussing on air conditioning, lighting, water and refrigeration;
- upgrading household lighting and improving water efficiency;
- education for all communities on energy use and energy savings;
- working with local schools and teachers to include an energy efficiency component in the school curricula;
- engaging experts in building design to establish best practice energy and water efficiency specifications for these locations;
- providing incentives to local businesses to stock and promote energy efficient products; and
- exploring how renewable energy could be deployed in local communities.

The implementation of these measures aims to reduce total electricity consumption by up to 20 per cent, representing savings to residential customers of up to \$300 per year.

If successful, this initiative will be rolled out to other remote communities that rely on diesel power stations.

This is one of a range of initiatives within Queensland's revised climate change strategy,

ClimateQ: toward a greener Queensland. The Strategy represents the next phase of Queensland's

climate change response, and includes \$196 million of investments and policies to further reduce the state's greenhouse gas emissions, and support community and industry prepare for, and adapt to, a changing climate.

Rationale

The targeted remote communities are too remote to be connected to the electricity grid. These customers currently rely almost solely on diesel fuel for electricity generation.

In 2007 the power stations supplying these communities consumed about 28 million litres of fuel, or more than 11 Olympic sized swimming pools. This released over 75,000 tonnes of greenhouse gases into the atmosphere.

Due to the remote nature of these communities, the cost of supplying fuel for electricity is also very high.

Unless alternative action is taken, electricity consumption in these communities is predicted to increase at a rate of about two per cent each year.

This initiative will encourage investment in renewable energy, energy conservation, energy efficiency and education measures which will provide significant



benefit to the state and to customers by reducing energy costs for both parties.

Outcomes

A key purpose in undertaking the pilot is to determine the cost effectiveness of investing in energy efficiency, energy conservation, and renewable energy measures in isolated communities.

The introduction of several energy efficiency measures will mean immediate savings by reducing customers' power costs. Additionally, energy consultations for all residential, commercial and government customers should identify further savings.

The outcomes of the pilot will determine whether these clean energy measures are rolled out to the remaining selected isolated communities.

Clean Energy for Remote Communities supports the Queensland Government's commitments:

- under *Blueprint for the Bush* to deliver infrastructure for sustainable regional economies;
- to reduce the cost impacts of the Commonwealth Government's proposed Carbon Pollution Reduction Scheme on householders; and
- under *Toward Q2* to reduce household carbon footprints by one third by 2020.

How will it be delivered?

The pilot of this initiative will be trialled for one year beginning July 2009 on Thursday Island, Horn Island and in the Northern Peninsula Area. It will test a range of policies and programs with the aim to increase the uptake of energy conservation measures.

Ergon Energy will project manage the delivery of the pilot.

Face-to-face consultations will provide customers with information and tools to make smarter energy choices for their homes and businesses. For instance, customers will be informed about using simple proven measures like installing energy efficient lighting, water heating and shower heads.

The pilot will include an integrated energy conservation, education and community engagement program designed specifically for each individual community.

Where practical, local resources, including people and materials, will be used to deliver the pilot.

Given the cultural, social and geographical differences between communities, consultation and involvement of the communities will be a cornerstone in the design of the pilot.

Key milestones

- Pilot undertaken 2009 to 2010.
- Initial report due in November 2009.
- Interim report due in May 2010.
- Final report due in October 2010.

How much will it cost?

The Queensland Government has invested \$5 million to work with Ergon Energy to implement this initiative.

How will customers benefit from this initiative?

This initiative aims to translate into immediate energy cost savings for residential, commercial and government customers in the selected communities.

An integrated package of energy conservation, education and community engagement will be specifically designed to meet customer and community needs.

The anticipated reduction in electricity consumption is likely to result through the implementation of an integrated energy conservation package. This aims to reduce residential customers' annual electricity bills by up to \$300 per year.

Who will the Government partner with to implement this initiative?

- Thursday Island, Horn Island and Northern Peninsula Area Residents
- Ergon Energy

Lead agency details

Department of Employment, Economic Development and Innovation

www.deedi.qld.gov.au