

4.2 SOLAR SAVERS MEMBERSHIP

Responsible Director: Jarrod Doake

RECOMMENDATION

That Council:

1. *Supports the continuation of its membership to Solar Savers in 2023-24 and 2024-25 to enable eligible residents and small businesses to access solar advice and support for the installation of rooftop solar through the Solar Savers Scheme service, led by the Eastern Alliance for Greenhouse Action (EAGA).*
2. *Authorises the Manager Sustainable Monash to execute the relevant membership documents.*

INTRODUCTION

This report recommends Council continues its membership to Solar Savers in 2023-24 and 2024-25; to support eligible residents and small businesses to access advice; and support to install rooftop solar through the Solar Savers Scheme service.

BACKGROUND

Monash Council has been a member of Solar Savers since 2018-19 following membership endorsement via a Councillor NOM in October 2017. Solar Savers can assist pensioners and eligible householders in Monash to generate their own power using solar energy and keep cool in summer or warm in winter while saving money. The Eastern Alliance for Greenhouse Action coordinates Solar Savers on behalf of member councils, based at Maroondah Council.

DISCUSSION

There are around 12,000 households/homeowners in Monash that are deemed as low low-income or on a pension. The Solar Savers program is invaluable to low-income or vulnerable households in being able to access solar; and the service can also help them access the Solar Victoria solar rebates easily as they have a strong relationship with Solar Victoria.

Small businesses can also benefit from solar to reduce their running costs.

The annual cost for membership is \$13,000 (excl GST) and the preferred service option is a bulk buy program for residents, rentals and businesses. The program includes:

- quality installations of solar PV systems within the community
- access to the shared service model, including support from the Solar Savers team (including the Program Leader and other staff employed by Maroondah City Council)
- regular progress reporting from the Solar Savers team
- independent compliance audits of 5% of installations and OHS checks

- a joint procurement process delivering economies of scale in material costs and program facilitation fees
- two information sessions for all participating councils facilitated and attended by the Solar Savers team and installer, or if necessary, the option to deliver webinars.
- a consistent programmatic face and engagement channel with the community that will ensure State Government incentives can be accessed by those who need it most (i.e., income low-income households)
- Advocacy for legislative reforms that will streamline EUA administration on behalf of councils and where possible, shared learnings from trials of residential Environmental Upgrade Agreements
- dedicated website, phone support and a vetted installer via an open tender process led by MAV Procurement. Eko Energy is the current supplier, but Solar Savers will go to market using the same process for 2023-24.
- the installation of solar energy systems on properties as part of the Solar Saver Scheme arises out of the Council's functions of advocating and promoting proposals that are in the best interests of the community and ensuring the peace, order and good governance of Council's municipal district and promotes the social, economic and environmental viability and sustainability of the municipal district.
- communications campaign to promote Solar Savers to non-vulnerable and vulnerable segments of the community including rental properties
- funding and coordinating a communications campaign to engage small businesses via the Council's economic development teams
- provide in-kind support to the initiative through project officer time, including participation in the project Steering Committee (see attached Terms of Reference)

Council has committed through its Sustainability Strategy, not only to reduce greenhouse gas emissions but to support those most vulnerable to climate change impacts and energy costs.

There are two other Solar Savers options to consider. In 2021-22 we trialled a solar rates loan system to support residents. However, after making contact with 1600 householders, we only received 10 final applications for this option. Due to the high administrative burden of this option through a special charge scheme, we are not proposing to continue in this format. There is also an option to provide direct rebates to residents which has not been considered at this time but could be subject to future budget bids.

POLICY IMPLICATIONS

The first key objective of the City of Monash Council Plan 2021-25 is to create a Sustainable City and do this by delivering on the commitments in the Zero Net Carbon Action Plan. The provision of the Solar Savers Service aligns with both of these commitments.

In February 2020, Council committed to being carbon neutral by 2025. This will be delivered by the Zero Net Carbon Action Plan (approved August 2020) and includes a commitment to help the community reduce GHG emissions across the municipality.

Under the Environmental Sustainability Strategy 2016-26, Council has also committed to supporting our community to reduce impacts on the environment.

It also aligns with the Draft Health and Wellbeing Policy and the Age Friendly Monash plan by providing equity to the community to access solar and reduce utility costs.

SOCIAL IMPLICATIONS

Solar Savers allows eligible residents including pensioner homeowners in Monash to advice and support to get solar energy system to generate their own power so that they can keep cool in summer and warm in winter. They can also get access to low-interest loans and State Government rebates.

HUMAN RIGHTS CONSIDERATIONS

Providing access to low-cost solar installations, particularly for low-income households would be in line with the broad principles of the International Human Rights and Social Justice Charter.

GENDER EQUITY ASSESSMENT

A gender impact assessment will not be undertaken on this program of works at this time. When this program of works is up for review, Council will reconsider whether or not a gender impact assessment is required.

CONSULTATION

This project was originally raised as a Councillor nomination and has been reviewed through the Budget approval process.

FINANCIAL IMPLICATIONS

The annual cost to participate in Solar Savers for 2023-24 is \$13,000 plus GST. A similar cost is expected for 2024-25. There are funds available in the Sustainability Strategy operations budget to cover this ongoing cost.

Householders can access low-interest loans to support their installations and will be supported to get access to government rebates.

CONCLUSION

For Council to support the membership of Solar Savers for 2023-24 and 2024-25.

Attachments:

- (1) Solar Savers Steering Committee 2023-24 Terms of Reference
- (2) Solar savers Expression of Interest 2023-24.

SOLAR SAVERS TERMS OF REFERENCE

These Terms of Reference have been developed in line with the agreement to ensure:

- Sound and effective decision-making
- Appropriate processes for accountability
- Effective communications and information exchange

The project will be delivered under the guidance of:

I. LEAD ORGANISATION (Maroondah City Council)

A. Role of the Lead Organisation

- Administer and manage project funds on behalf of all participating councils, including decisions on FTE changes and the resource model within budget
- Employ and host the Program Leader, and Sustainable Energy Officer(s)
- Facilitate procurement process for solar providers and other contractors as required
- Oversee engagement with any contractors or consultants engaged throughout the project
- Report periodically on project activities to the Steering Committee

B. Key personnel and representation

- EAGA Executive Officer (employed by Maroondah City Council)
- Solar Saver Program Leader (employed by Maroondah City Council)
- Sustainable Energy Officer (employed by Maroondah City Council)

II. STEERING COMMITTEE

A. Role of the Steering Committee

- Receive Project's Team's reports and recommendations and provide strategic direction to the project
- Work collaboratively with Project Team members to undertake targeted recruitment of households through existing channels, such as HACC services, and direct mail outs
- Supporting promotion of Solar Savers to non-vulnerable segments of the community, including rental properties and businesses
- Fine tuning templates (briefing notes, letters etc) provided by the Project Team for communication within the participating organisation
- Facilitating report development for council decisions
- Share resources and knowledge
- Project development and technical discussion

B. Key personnel and representation

- EAGA Executive Officer
- Solar Savers Program Leader
- One nominated representative from each participating council

C. Meetings

Bi-monthly. Meeting agendas, and papers will be prepared by the Program Leader. Minutes will be taken by the Program Leader or shared as agreed. Meetings will be held via Zoom or at a central CBD location.

III. PROJECT TEAM (Shared Service)

A. Role of the Project Team

- Administration systems and process:
 - Manage and oversee client management database (Zoho etc)
 - Develop templates and guidance materials on rates mechanism for councils
 - Project evaluation, monitoring and reporting
 - Website, registration forms, and program communication collateral templates
- Engagement with householders
 - Manage web based registration process and referral process to solar installers (non vulnerable households)
 - Phone communications (vulnerable households only)
 - Assistance to access State Government incentives (i.e Solar Homes rebate, loans etc)
 - Facilitate program information sessions/ webinars with installer. Attendance by Solar Savers team member - two sessions per Council if face to face.
- Special Charges Mechanism
 - Prepare reports for council meetings and accompanying individual householder letter– i.e. proposal and declaration of SRC.
 - Provide templates for public notice period
 - Prepare and manage individual householder agreement process required for final SRC report
- Residential Environmental Upgrade Agreements (EUA)
 - Advocacy for legislative reforms that will streamline EUA administration on behalf of councils
 - Explore, trial and share learnings from the application of residential EUA agreements, if possible

- Manage contractors
 - Prepare and facilitate tender for solar PV systems
 - Prepare council procurement reports
 - Facilitate installations, electricity retailer approval and network company with installer
 - Oversee independent compliance audits

B. Key personnel and representation

- Program Leader
- Sustainable Energy Officer
- Solar Savers support staff

C. Meetings

As required.



Expression of interest – council participation

SOLAR SAVERS 2023/24

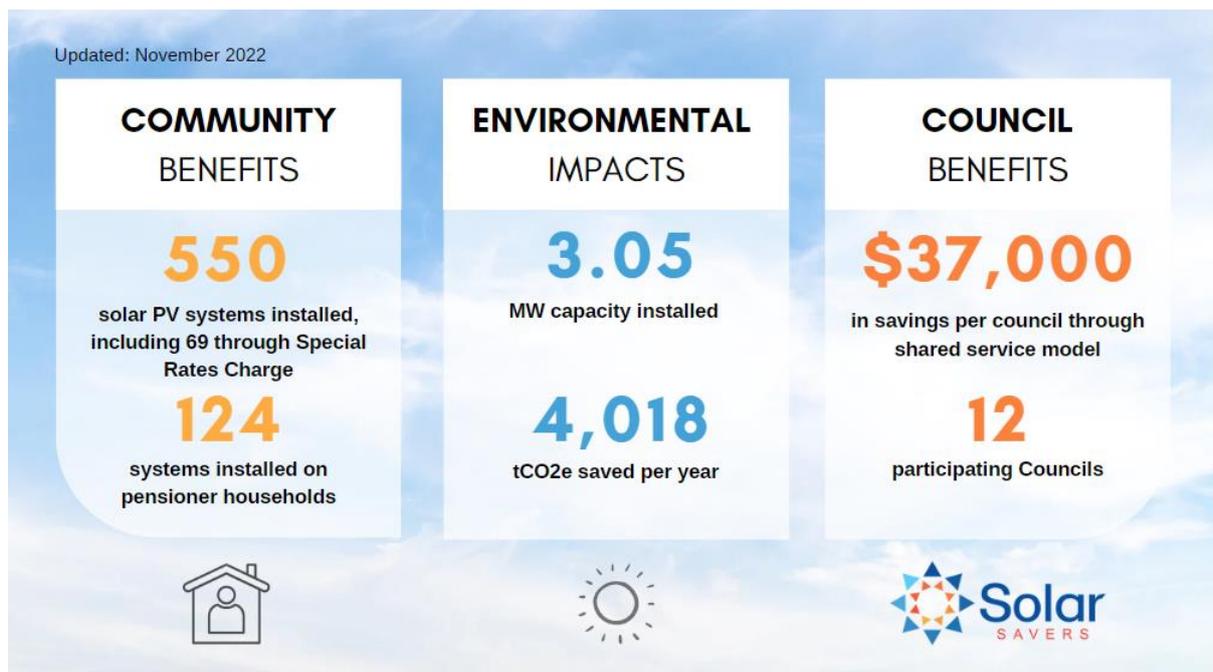
Expressions of interest are **now open** for councils seeking to participate in the next phase of Solar Savers, beginning on 1 July 2023.

The program will continue to service both residential (including owner occupier and rental) and businesses sectors via an established operating model that will keep council participation fees at \$13,000 per year.

We encourage councils to commit to a two-year program (or longer) if possible. This longer term commitment provides greater certainty for the program and will assist with planning.

Councils are invited to commit to one or more program options described in Section 3 by completing and returning the attached template letter of commitment to Anna Imberger at anna.imberger@maroondah.vic.gov.au by **Friday 9 December 2022**.

IMPACT SUMMARY



Data: Since launch of program Sep 2019 to Nov 2022

1. BACKGROUND

Since 2019 EAGA has successfully established an ongoing operating model based on annual contributions from participating councils and installer fees. Maroondah City Council continues to play a sector-leading role by hosting the Solar Savers team and administering the program on behalf of all partners.

In the past financial year, Solar Savers has installed 141 PV systems across twelve councils via a 'bulk buy' program, including 41 households under a subsidy program and 15 via the special charges rates loan program. Since its inception in mid-2019, the program has installed 3.05 MW of power, saving 4,018 tCO₂e per year. The program continues to expand with four new councils joining the program this year. As we see electricity prices continue to rise into 2023, we expect more households and business to take control of their energy costs and move towards renewable energy and solar storage.

2. BENEFITS FOR COUNCILS

The Solar Savers team undertakes the following activities on behalf of each participating council:

- Administer and manage project funds
- Employ and host shared staff resources
- Undertake procurement processes for solar installers, capturing economies of scale and upfront price reductions on systems
- Oversee engagement with any contractors or consultants engaged throughout the project
- Report periodically on project activities to participating councils
- Develop and disseminate communication materials for use by councils
- Manage risks through independent compliance and OHS audits on installations
- Lead engagement with Solar Victoria to assist vulnerable households access State rebates
- Manage distribution and processing householder agreements for councils choosing to deliver rates based programs (See Section 3a)
- Explore, trial and share learnings from the application of residential Environmental Upgrade Agreements (EUA) if possible
- Advocate for legislative reforms that will streamline EUA administration on behalf of councils
- Deliver webinars and information sessions on behalf of councils

Consultation with council participants has informed estimates of the time and cost efficiencies generated by the shared services model. This is estimated at ~\$37,000 per year for each participating council.

Participating councils will inform in the strategic direction of the program as members of project's Steering Committee, as outlined in the attached Terms of Reference.

3. PACKAGE OPTIONS

Councils will have access to three package options - all designed to leverage the State Government's rebates. Currently, Solar Victoria provides a rebate up to \$1,400 per household, plus an interest free loan over four years for both owner occupiers and rental properties. A battery rebate of \$2,950 is also available to eligible homeowners. The Solar for Business program provides a \$1,750 rebate to eligible businesses. Based on previous experience, it is expected 80%-85% of Solar Savers households will access the residential State Government subsidy.

Solar Savers will continue to offer support to those who are digitally disadvantaged or require assistance in applying for the Solar Homes rebates and loans.

A. Rates loan - residential

- Council directly funds the installations and recovers the costs through the Special Rates Charges mechanism
- Council funds and coordinates a residential mail out, and supporting promotion, to advertise the availability of Solar Savers
- Letter templates and other promotional templates will be provided by the Solar Savers team
- Council to share eligibility data and information relevant to each household to allow Solar Savers to apply for the Solar Victoria rebate on behalf of eligible households. If the application is successful, the rebate amount will be included in the householder quote and agreement, reducing householder debt and payback period of the installation.

B. Bulk buy - residential, rentals and business

- The bulk buy program includes owner occupiers, rental properties and small businesses
- Council funds and coordinates a communications campaign to advertise the availability of Solar Savers for households and businesses, including mail outs and digital media. Program promotional templates e.g. letter; social media; newsletter article; will be provided by Solar Savers
- Registrations will remain open for the term of the program. Mail outs and communications campaigns will be staggered throughout the year according to an agreed schedule between Council and Solar Savers
- Vulnerable households are invited to participate. Service fees will not be applied to these installations. Solar Savers will call and assist these households where needed.
- Non-vulnerable households are invited to participate. Service fees will be applied to these installations to cross subsidise the participation of vulnerable households and provide additional funding support for the shared services model and associated costs, such as external audits
- Tenants and landlords are invited to participate. Service fees will be applied to these installations and Solar Savers will work closely with Solar Victoria to leverage the Solar Homes rentals rebate and interest-free loan

- The program will be promoted to small business via each council's economic development teams. Council will be responsible for the engagement of small business, providing referrals to Solar Savers. Solar Savers will co-ordinate and manage quotations and installations with installers. Service fees will be applied to these installations. Promotion will be coordinated with other concurrent programs where relevant (i.e. Energy Savers)
- Solar Savers will attend/facilitate two community information sessions per council each year. Additional briefing sessions will be delivered under a separate fee-for-service arrangement

C. Subsidy program - residential

- Council provides a grant/subsidy to eligible households, as determined by council, to reduce the upfront costs of the solar PV installation
- Council funds and coordinates a residential mail out, and supporting promotion, to advertise the availability of the Solar Savers grant/subsidy program
- Letter templates and other promotional templates will be provided by the Solar Savers team
- Council to provide adequate resourcing to manage initial leads and determine eligibility for the program
- Council responsible for executing a Services agreement between the installer and council for payment/invoicing of subsidy payments

Program Costs

The program participation fee is \$13,000 plus GST. In instances where councils are also seeking to deliver a rates loan and/ subsidy program additional costs will be negotiated.