



Community Power Hub Latrobe Valley

Purpose

The Victorian Government has made a commitment to support community energy projects as part of their plan to accelerate Victoria's renewable energy capacity.

Community Energy (CE) refers to projects where a community, either geographically-based or based on a common interest, initiates, develops, operates and benefits from a renewable energy resource or energy efficiency initiative.

Gippsland Climate Change Network (GCCN) was appointed as the host organisation of the Community Power Hub Latrobe Valley. The GCCN will work with Sustainability Victoria (SV) to establish and progress the Power Hub across the Latrobe, Wellington and Baw Baw Shires to facilitate locally based community owned renewable energy projects.

CPH Latrobe Valley works within a collaborative governance arrangement that enables the interests of stakeholders to be represented in pursuit of a common purpose which is:

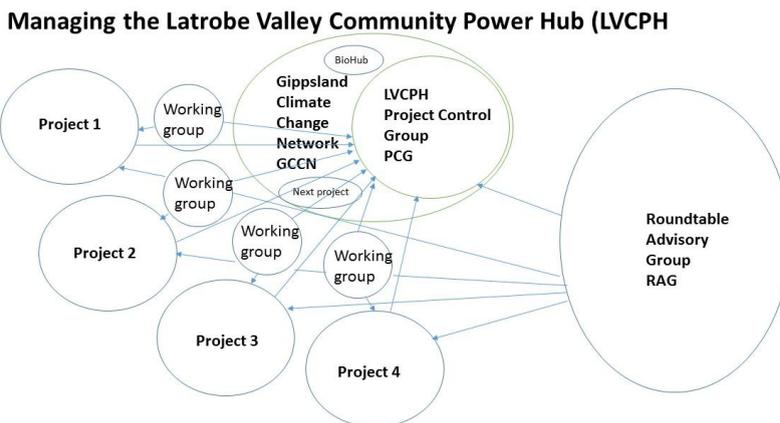
“To support and progress community energy that is strongly governed, financially viable, and socially and environmentally sustainable.”

Structure

To ensure that CPH Latrobe Valley is appropriately focused the following governance structure will be established consisting of:

- **Gippsland Climate Change Network.** The GCCN has entered into a funding agreement with the Victorian Government, through Sustainability Victoria, to deliver the Community Power Hub Latrobe Valley. Accordingly, the GCCN, through its Board and as advised by the Project Control Group and where appropriate by the Roundtable Advisory Group, has the decision-making responsibility for the CPH Latrobe Valley through being accountable for its implementation to the Victorian Government.
- **A Project Control Group** This consists of three representatives of the Board of GCCN, one representative from State Government and a community representative from a stakeholder group. The PCG will oversee the program on behalf of GCCN and ensure the funding guidelines are met.
- **A Roundtable Advisory Group.** This group of 8 – 15 representatives nominated from the Stakeholder Groups has an advisory role in developing community energy projects and creating a landmark project.

- **Working Groups.** These are set up as required using local community representatives, members of the Stakeholder Groups and at least two members of the Roundtable Advisory Group to facilitate the progress of each of the selected community energy projects.
- **Stakeholder Groups.** These are representatives of individual, community, Government and commercial groups with an interest in developing community energy.
- A **Project Officer** shall be employed to implement the CPH Latrobe valley, assist the GCCN Board, the PCG, the Roundtable Advisory Group and the working groups and help develop the feasibility studies and landmark project. The **Executive Officer** of GCCN will also be assisting.



Governance schema – with the GCCN and its PCG for the CPH Latrobe Valley as the centre of the project. It is accountable for the CPH LV after all. This draft shows 4 subprojects, each with its own working group that advises it and which reports to the PCG. The RAG advises on each project that is the responsibility of its own working group and advises the PCG on more general matters regarding community energy projects.

Objectives

GCCN will perform the role of host organisation in delivering the pilot Community Power Hub (CPH) located in the Latrobe Valley for a period of 2 years on behalf of Sustainability Victoria and the State Government.

This will include;

- Establish and coordinate a network of local organisations that can support the delivery of Community Energy in the Latrobe Region. These networks will include a wide range of organisations to be included as members of the hub, assisting in promoting a collaborative governance model enabling the identification and development of viable/feasible Community Energy projects as identified by local groups and members of the CPH. Membership may include local government, state government departments, local specialists such as energy auditors and renewable energy installers etc.
- Establish suitable governance and planning to enable Community Energy to progress and grow into the future
- Identify the required services to allow community groups to progress Community Energy projects
- Manage initiation and delivery of required third party service contracts to deliver specialist services in their region
- Map potential projects by sites, technologies and community groups
- Establish and host a website to connect community energy groups and service providers
- Establish themselves as leaders, advocates and facilitators of community energy in their area
- Network with other Community Power Hubs in Victoria and similar resources across Australia

- Enhance and expand local community interest and understanding in the areas of renewable energy, energy storage and energy efficiency
- Oversee the delivery through community energy groups of at least one flagship Community Energy Project to construction phase and progress the development of at least three additional pipeline Community Energy projects
- Establish a Community Energy Hub plan to facilitate a long term self-sustaining presence.

Collaborative Approach

A collaborative governance model enables our members to diversify the knowledge base, spread the workload, widen the communication network and involve motivated people in advancing community energy, whilst continuing to represent organisational and individual interests. The concept of the Advisory committee is of the 'roundtable' as it represents a forum, where individuals and representatives participate equally in the discussion. This approach models social inclusion and will lead to opportunities for people to build and share capacities in the areas of renewable energy and social enterprise. Collaborative governance depends on us:

- Committing to meaningful stakeholder involvement;
- Making a commitment to a new way of working together;
- Understanding trust and what builds and breaks trust;
- Being flexible in our leadership and sharing authority (not power-based relationships);
- Committing to authentic face to face dialogue;
- Creating a culture of learning;
- Identifying common ground and resolving or accommodating differences; and
- Role modelling collaboration.

Roundtable Advisory Group (RAG)

Purpose:

The role of the Roundtable Advisory Group is to provide a forum for sharing of information and learnings, to provide advice and direction to the CPH Latrobe Valley, to identify potential Flagship Projects and other community owned renewable energy needs, to assess and prioritise Flagship Projects and make other major project decisions as may be required.

Membership of CPH Latrobe Valley Roundtable (RAG) is drawn from the region through an initial open expression of interest (EOI) process and nominations from Stakeholder groups. These will have a broad spread of geographic, technical, community and organisational membership of between 8 to 15 persons. Subsequent membership will be invited as positions are vacated, new working groups are established, or gaps in skills or knowledge are identified.

Nominations are accepted or declined by consensus of the PCG, based on the need to fill positions and relevant skills and experience considered to be of benefit to CPH LV's and GCCNs purpose.

The benefits of becoming a Member are:

- To gain knowledge and capacity in community energy and collaboration;
- To join with a growing and coordinated voice to better advocate for the needs of the sector and have greater influence on the development of community energy across the Latrobe Valley;
- To participate in the decision-making process; and
- To utilise the CPH Latrobe Valley's branding.

Each Member agrees to:

- Act in the best interests of CPH LV, and the community energy sector more generally;
- Actively contribute to the work of CPH LV
- Explain and promote community energy with their own members, constituents, and through their networks;
- Collaborate with CPH LV members when mutually beneficial;
- Gain knowledge and capacity in community energy and collaboration;
- Join with a growing and coordinated voice to better advocate for the needs of the sector and have greater influence on the development of community energy across Gippsland
- Participate in the decision-making process;
- Adequately prepare for meetings including sending an alternate representative if the usual member is unable to attend; and
- Utilise the CPH LV branding.

Meeting Procedure:

The Roundtable Advisory Group will meet as required however it is expected that they will meet no less than four times each year. The period of appointment is for the duration of the current funding over two years.

The Program Officer will call for agenda items then prepare and circulate agendas, as a minimum, between three and five days prior to meetings, with relevant papers attached. The Program Officer will take minutes of all meetings and circulate them to all members of the group, and their constituents, as soon as practicable following meetings.

The meeting chair of each working group and the Roundtable Advisory Group will be determined by the Project Control Group. Over time this will be reviewed and a permanent head or a system of rotating the chair will be considered.

Items arising at meetings, which require input back to CPH LV from Stakeholders or working groups, will be dealt with promptly between meetings.

Members shall declare any real or perceived conflicts of interest in relation to any matter raised on the agenda at each meeting.

Advisory Group meetings will generally be attended by one representative from each organisation however one or two additional representatives of the organisation may attend if required and/or beneficial as may be supported by the Advisory Group from time-to-time. Should votes be determined by the Advisory Group to be required to resolve any issues then each Member organisation represented on the Advisory Group with voting status is entitled to one single vote.

Due to numbers and logistics other Members and guests will not be able to routinely attend Advisory Group meetings. However, the Advisory Group may invite guests to attend as it may require and as it sees fit.

The independent chair ordinarily does not have a vote unless there is a tie or similar where the Chair may exercise a casting vote.

Any member and/or member organisation failing to attend meetings repeatedly without apology will be asked to vacate their position but giving due consideration to personal circumstances. Where the normal representative of member organisations is not available for a meeting, the organisation should send a delegate in their place.

Delegation of Authority:

The CPH Latrobe Valley Roundtable is an advisory body that operates by broad consensus (80%). Decisions that require input from a constituent organisation, working group or community partner will be deferred. If a representative or alternate is not present at a meeting and the agenda with its associated documents has been circulated more than three days prior to the meeting, then decisions can be made so long as 80% of the total membership agrees (not 80% of those attending).

The Project Control Group may refer decisions back to the Roundtable Advisory Group if they do not apply to the common purpose of the CPH Latrobe Valley or do not align with the funding requirements as specified in the contract with Sustainability Victoria. All advisory motions taken by the Roundtable and the actions of the Project Control Group shall be referred back to the GCCN Board which is the ultimate decision making authority.

Decisions may be communicated by all, unless otherwise specified in minutes. However, media releases and people speaking for the CPH Latrobe Valley to the community can only be determined by the Project Control Group.

Information may come from the Roundtable to working groups, constituent organisations, CPH LV members and external experts. Working groups are a primary means for undertaking research and filling information gaps and are to provide an unbiased summary of findings and a rationale for options to the PCG. It is essential that working groups frame their activities as investigative and refrain from entering into negotiations or raising community expectations before options have been assessed by the Roundtable and forwarded for consideration to the Project Control Group.

Changes to the Governance Arrangements:

It is expected that community energy will evolve over the coming months and years, as will CPH Latrobe Valley. This Governance Arrangement will be reviewed and updated as required with a requirement to do a complete review at the end of the funding period in 2019.

Dispute resolution:

People have diverse views and ways of expressing them. It is incumbent on members to participate in CPH Latrobe Valley with a mindset of acceptance, and even expectation that differences of opinion will occur, while working towards achieving the goals of CPH Latrobe Valley within the framework of broad consensus.

In the case of a dispute arising, CPH Latrobe Valley members will attempt to resolve the dispute with the disputed party directly, will listen to and respect differences and apply negotiation and accommodation to resolve the matter.

If a dispute is not resolved, CPH Latrobe Valley members will approach the Dispute Settlement Centre of Victoria to help resolve the dispute; together they will decide on a way to approach resolution. In the case of mediation, it would be ideal that both parties are present.

The Dispute Settlement Centre of Victoria, www.disputes.vic.gov.au, is a Government fund free dispute resolution service.

One last word:

Members of CPH Latrobe Valley will:

- Operate with integrity, boldness, creativity, passion and energy;
- Celebrate achievements; and
- Enjoy friendships made along the way.

Frequently Asked Questions

1. What is community energy?

Community-owned renewable energy or community energy (CE) refers to projects where a community group initiates, develops, operates and benefits from a renewable energy resource or energy efficiency initiative. Community groups are formed based on a common interest geographical region such as a town or suburb.

Every CE project is different, being tailored to each community's needs and context. CE projects may be developed to:

- maximise local ownership and decision making
- generate jobs
- use resources efficiently and sustainably
- match energy production to local energy needs and circumstances
- help address climate change.

Community energy is an important part of the energy transition

The Labor Government is rebuilding Victoria's reputation as the nation's leader for renewable energy to ensure the State is part of the global shift towards clean energy technologies. The Government considers community development of sustainable energy projects as a key feature of Victoria's future energy landscape.

CE projects provide a tangible way for urban, regional or remote communities to help achieve this aim by transforming their energy supply to be cleaner, safer and more sustainable. The projects enable communities to develop and own renewable infrastructure and become consciously involved energy citizens.

The potential for CE to contribute to the transition to clean energy in Victoria is significant, given the abundant renewable energy resources available in the State. CE is already a mainstream model of renewable energy development internationally, especially in countries like Denmark, USA, Germany and Scotland.

2. What distinguishes 'community energy' from other kinds of energy? Is it energy *owned by the community* or energy *produced for the community*?

This is the Vic Gov definition: Community-owned renewable energy or community energy (CE) refers to projects where a community group initiates, develops, operates and benefits from a renewable energy resource or energy efficiency initiative. Community groups are formed based on a common interest geographical region such as a town or suburb.

The following attributes are characteristic of a CE project:

- Community led project or community/developer partnership
- Local shareholding inclusive of community investment (minimum 20%), but also including local council, water authority etc (> 50% total)
- Project scale >100kW - 30MW
- Local control and decision-making power related to the project
- Local distribution of the social and economic benefits generated through the project.
- Project is appropriately scaled to local environment and/or community
- Project harnesses the skills and capital of the local community

3. Is there a renewable energy strategic direction for the region? What does it say? Where can it be found?

No but one could be useful eg: “To support and progress the repowering of the Latrobe Valley with 100% community owned renewable energy that is strongly governed, financially viable, and socially and environmentally sustainable.”

4. Stakeholders: how are stakeholders defined? Who are they? How could one become a stakeholder?

If you are an individual or a group that has signed on to the above strategic direction, you could be a stakeholder. This is not to say that necessarily that you or your group will be a member of the GCCN, a member of the Roundtable Advisory Group (RAG) or that you are involved in a specific project. These are all consequent issues if you’re a stakeholder as what level of involvement is to be determined.

5. Members of the RAG are identified as representatives from particular organisations. Are these organisations currently part of the GCCN? Do the organisations become Members of the Community Power Hub as of right? What about businesses currently engaged in providing renewable energy services or products, especially small and medium enterprises? There seems to be a place reserved for large enterprises.

The Community Power Hub is a project that is being delivered by the GCCN and so it has involvement from a range of people and groups but it does not have a formal membership. The GCCN with its formally constituted membership has accountability for the LVCPH within the SV contract and so must be the decision-making body. They can take advice from whomsoever will promote the success of the Power Hub and a RAG that is widely and relevantly drawn should give the best prospect for this. There will be arrange of service providers who might be considered stakeholders to deliver elements of the Community Power Hub. They may or may not be involved in the RAG depending on the delivery stages of the project. If they are involved in the RAG, the usual processes for managing conflicts of interest, eg declaration and refraining from potentially compromising project involvements, should be observed.

The Hub can set its own criteria for Members of the Hub, and the RAG of the Hub. Businesses can form a part of it – perhaps just as members and in the working groups rather than in the advisory committee to mitigate conflict of interest.

6. Are the ‘core representative groups’ the organisations listed in RAG? Is it intended to have community representatives chosen by the RAG?

It should be the decision of the GCCN who would be invited to membership of the RAG, remembering that the Community Power Hub has technical as well as social elements that require skills and knowledge inputs.

7. In the section on meeting procedure, it seems as if the Project Control Group will be part of the Roundtable Advisory Group, and that the RAG is the decision-making body, subject to the organisations from which its members are derived.

It is most likely that there will be overlap between the RAG and the Project Control Group (PCG) that the GCCN establishes. The GCCN is the accountable body for delivering the Project Control Group and

so must have the ultimate decision-making capacity. These decisions are likely to be better decisions when they are informed by sound advice offered by the skilled and knowledgeable members of the RAG.

8. If big businesses are part of the Roundtable Advisory Group, will this take the Hub from being a Community Hub to one needing to be approved by big businesses?

This is a community power hub and so is likely to not engage 'big' business unless it is in some sharing arrangement where a fraction of involvement by a big business is taken by the community. Even so, if there is a business involved in the RAG, it will be subject to the management of conflicts of interest that apply when there is a vested interest within a broadly-based project.