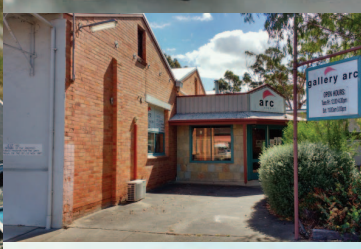




2018 Annual Report

eico-op.org.au





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Message from the Chair

Dear Members and Friends,

Welcome to our 2017 – 2018 Annual Report.

On behalf of the **Energy Innovation Co-operative Board**, I am delighted to present to you this report on our achievements of the past 12 months and some forward thinking for the coming year.

The **Energy Innovation Co-operative** began in 2009 with a mission of '**Working together towards a zero emissions community**'. We have made many contributions towards this mission since then, including facilitating installation of over 650kW of solar PV through the Southern Solar Hubs Project (a huge amount at that time when prices were 3~4 times those of today) and engaging over 3500 people in more than 100 public meetings, workshops, information sessions and house and farm tours learning about emissions reduction in action.

Our efforts to enable the **EICo-op** to make significant and long-term contributions to reducing emissions and facilitating the uptake of renewables have intensified in the last few years. We now have in place four key components that will see our impact grow considerably:

- **The Southern CORE Fund** is a revolving fund offering no-interest loans and part donations to community groups
- The first small sized community owned solar farm with battery storage in south-west Gippsland at the State Coal Mine, Wonthaggi
- The Victorian Community Solar Portal, which is a web-based portal created to facilitate investment in community-owned renewable energy
- An emerging model for a localized approach to Totally reNewable Towns, developed in partnership with Phillip Island community groups and partners

These initiatives are strategically designed to accelerate support to communities across our region so together we can:

- Source more power from renewable energy
- Save money from reduced power bills and spend more on important community services
- Reduce our greenhouse gas emissions
- Provide real and local investment opportunities in a renewable future

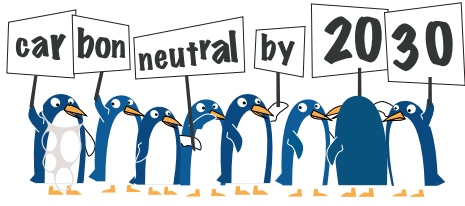
I am really proud of our last three years and am excited by our future prospects as many more partnerships and projects are developed to realise these benefits for communities across our region.

Examples of these initiatives fill the following pages – **happy reading**.

Thank you!



Our Mission



Working together towards a zero emissions community

Our Programs



Southern CORE (Community Owned Renewable Energy) Fund

The Southern CORE (Community Owned Renewable Energy) Fund began in 2017 as an initiative of the Energy Innovation Co-operative. As a non-trading co-operative in Victoria, we support communities to install renewable energy or energy efficiency measures, helping to cut their power bills to put vital investment back into their core activities. This allows sports reserves, community and childcare centres and conservation parks to concentrate on what they do best - provide improved community and environmental services.

Community groups can apply for part donation and part no interest loans (yep! No interest) to fund solar panels, solar hot-water or energy efficiency projects. Loans are paid back to the Fund from the energy savings to support more projects, meaning every dollar donated is invested over and over again! The more money we raise, the more community support we can provide.

The Southern CORE Fund is one arm of the Energy Innovation Co-op's Public Fund. The Public Fund was established under the rules of the Energy Innovation Co-operative, and registered as a tax deductible fund through the Australian government's Registered Environmental Organisation process. For a copy of the Energy Innovation Co-op rules including its primary purpose and Public Fund objectives see <https://eico-op.org.au/> under the *about us menu*.

Engaging communities in a renewable future

Each year the EICo-op facilitates a series of public events to present current knowledge on energy efficiency and renewable energy. In the last 12 months we have co-ordinated and/or presented at eleven community events directly connecting with over 700 people and many more through our newsletters, newspaper articles and social media posts. We thoroughly appreciate the contribution of \$2500 from South Gippsland Shire, that helped with many of these events.

2017 – 2018 Events' Summary:

1. Public presentation on Financing solar for business – a co-presentation with Mirboo North Energy Hub in Mirboo North – October 2017
2. Guest presentation by Chris Weir from Bendigo Sustainability on community renewable energy investment projects to members at the EICo-op AGM – November 2017
3. Promotion of energy efficiency, renewable technologies and Southern CORE Fund at the Garlic Festival, Meeniyan – February 2018
4. Presentation on the EICo-op and Southern CORE Fund to compliment Green Butler presentation at Prom Coast Tourism event, Foster – March 2018
5. Energy efficiency and renewable technologies, with a focus on batteries and Southern CORE Fund at Poowong – March 2018
6. Energy efficiency, renewable technologies, community-owned renewable energy, Southern CORE Fund and the Energy Innovation competition at the Sustainability Festival, Wonthaggi – April 2018
7. Presentations to Sustainability Victoria Regional Officers on Old Energy-New Energy project, Southern CORE Fund and a Tour of State Coal Mine – April 2018
8. Presentations on the Southern CORE Fund and other Community energy initiatives at the Energy Justice Meeting in Wonthaggi May 2018
9. Energy efficiency for agriculture and Carbon Farming at Outtrim – May 2018
10. Presentation to Phillip Island Community and Learning Centre on Totally reNewable Towns Initiative – June 2018
11. Public meeting on Totally reNewable Towns Initiatives at Cowes – June 2018



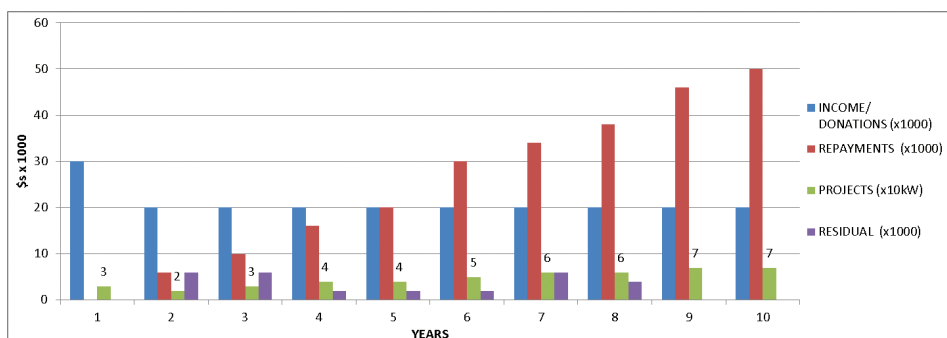
Totally reNewable Towns Initiative

Phillip Island is the first community to take up the Totally reNewable Towns Initiative. Sponsored by the Energy Innovation Co-operative, this kick starts the Totally reNewable Towns Initiative for Bass Coast and South Gippsland. We are developing a Collective Impact approach to achieving the goal of 'A carbon neutral community by 2030' and aim to develop a transferable model to assist other communities across our region to take up the same challenge.

We aim to work with at least one new community in 2019 to take up the Totally Renewable challenge. As the model develops and spreads we will have a firm understanding of the critical factors that make this model successful and therefore the resources needed to make it work. For example an active community willing to work collectively towards the Totally reNewable vision, drawing on each other's strengths and avoiding duplication.

Program Impact – Southern CORE Fund

The following graph illustrates the potential number of community energy projects we will be able to fund based on projected income/donations and average loan repayment rates. These figures are assuming an average install of 10kW solar PV at a cost of \$10,000 for each project. The figures are based on an initial donation base of \$30,000 in 2017-18 and assume an income of \$20,000 from Power Purchase Agreements (PPAs) and donations received per year ongoing over 10 years. It also assumes a repayment rate of \$500/quarter per \$10,000 loan, with repayments starting in the year after installation is complete, resulting in a five years payback period per project.



In reality community energy projects will vary from between 5kW up to 50kW, and so another way to read this graph is to look at the total kW we can fund using \$1000/kW for solar. Based on these figures then, which includes guaranteed income from the PPA at the State Coal Mine, a modest level of annual donations and regular loan repayments, we will have funded over 470kW of community solar in 10 years. These are modest but credible projections and so a minimum target which we genuinely hope we will exceed.

Applying for a Southern CORE Fund No-interest Loan

The illustration (below) shows the process for moving through the application and assessment process after a Community Group learns about Southern CORE Fund no-interest loans through various media, events or word of mouth. Loan repayments usually begin when savings in electricity costs are realised by the group. This is ideally in the second quarter after the system has been installed; however, this is dependent on each situation and therefore negotiated with each group and understanding their circumstances and capacity to pay.



Foster Swimming Pool



Our first Southern CORE project was delivered in November 2017. A \$20,000 no-interest loan enabled Foster Pool Association to complete works to install a solar thermal heating system on the roof of a large, newly erected shelter at the pool.

Heroic local fundraising efforts had raised most of what was required with the final support provided by the Southern CORE Fund.

This was enabled thanks to a \$20,000 donation from the Electrical Trades Union Vic branch, getting the project over the line before the important summer swimming season. Warming the waters of this lovely outdoor pool, with its grassy shade areas and surrounding trees, is helping grow the capacity of the pool to attract locals and visitors alike. The Pool Association is aiming for extended hours of operation to improve the pool's long term financial viability.

Additional Southern CORE Fund sites



During 2018, the Energy Innovation Co-operative Board, working with its Public Fund Management Committee, further developed its processes for assessing potential sites for support. Expert advice and preparation of a feasibility report for each site is undertaken by one of a panel of qualified assessors including in 2018 John Coulter (partly funded through the Old Energy New Energy NEJ Fund grant), George Fairlie, Mel Glew and Rhys Freeman. Three further sites have expressed their interest in accessing a no-interest loan, and have been assessed as suitable. They are each currently raising funds to reduce the total amount needed from a loan.

The Artist Resource Collective (ARC) in Yinnar is aiming to undertake a major refit of its building, including installation of solar panels and energy efficiency measures. Three trusts expressed their support for Latrobe Valley communities through donations to the Southern CORE Fund, to be utilised in the Latrobe Valley, with \$11,000 raised to date via donations from The Mullum Trust, Rose Guilder and Australian Communities Foundation. The funds are held as matched funding for further grant applications, which are pending. Latrobe Valley Community Energy Hub paid the cost of the feasibility assessment which made recommendations on energy efficiency and a renewable energy system.

Grantville Hall and Bass Coast Adult Education Centre Wonthaggi have also received assessments and conditional approval for Southern CORE funding. Repayments from the Foster Pool loan plus additional donations have made each of these projects possible.

Old Energy New Energy



Minister for Energy and Environment, the Hon. Lily D'Ambrosio visited the Wonthaggi solar farm soon after construction began in early October 2018

The installation of 91kW on-ground solar PV and 42kW/hr battery storage adjacent to the historic State Coal Mine Wonthaggi began in October 2018 and is due for completion by December. This community owned renewable energy system will power Visitor and Parks Victoria facilities and water pumping from the underground mine. Income to Energy Innovation Co-op from the sale of electricity to Parks Victoria will enable at least two new community energy projects to be funded per year for many years to come.

The State Coal Mine Wonthaggi is an important tourism precinct with very strong local volunteer involvement, on land managed by Parks Victoria. It holds an iconic historical-cultural position in the local area. The "Old Energy-New Energy" project has been funded by the Victorian Government's New Energy Jobs Fund, Bass Coast Community Foundation, Bass Coast Shire Council and the Energy Innovation Co-operative.

Totally reNewable Phillip Island



Totally reNewable Phillip Island was initiated in June 2018 after a community energy public forum organised by the Energy Innovation Co-operative in partnership with the Phillip Island Community and Learning Centre, Phillip Island Landcare Group, Phillip Island Conservation Society, Boomerang Bags and Plastic-free Phillip Island and San Remo.

Community enthusiasm was high after hearing from others leading their communities across Victoria such as Taryn Lane from Hepburn Shire Zero-net Energy Towns and Matt Charles Jones from Totally Renewable Yackandandah. With already high levels of activity around the environment and sustainability on Phillip Island, committing to make the community zero-emissions and powered by 100% renewables in 10 years was a no brainer.

Phillip Island became the first community in Bass Coast to embrace the challenge of going 100% renewable. The response at the public meeting to the motion that 'Phillip Island will be a carbon neutral community by 2030 through our collective efforts to use clean, efficient energy, reduce pollution and offset emissions was an overwhelming yes.

A series of three workshops over two days, were held in July 2018 to build on this momentum and enthusiasm and to put in place strategies to progress Totally reNewable Phillip Island.

The workshop series was well attended and received overwhelmingly positive feedback, with many participants eager to progress to action. The whole workshop series created a framework that identifies six focus areas– Clean energy, Toward zero emissions transport, Carbon farming, Carbon accounting, Food and waste, Education and communication.



Energy Innovation Co-operative will continue to provide secretariat support to this initiative as it embarks on the planned actions and develops the all-important partnerships and funding bids that will ensure it succeeds. This modelled approach of collectivising community efforts already working towards renewable energy or emissions reduction will be shared with other communities across south-west Gippsland in 2019.

Our new
website
eico-op.org.au

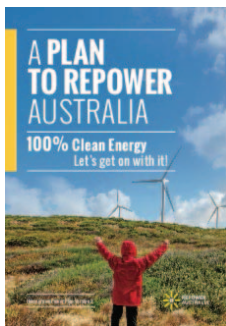
Help US stay in touch with you! The website will keep you in touch with what is happening! Please sign up on the website to receive our newsletters. You will receive updates and information on coming activities. You can be a member, or just be interested in our activities.

Members can now renew your membership via the website. This way you will receive a quiet reminder when your membership is due, and help us keep track of who is interested and active. Please note the new web address which better reflects our not-for-profit status.

Building and continuing to update the new website has been a major endeavour during this last year. Thank-you to FRRR and Bass Coast Shire for providing grants to support this work.

Thought Leadership

To assist you, our members and friends, to understand why we do what we do at the Energy Innovation Co-op, we thought a few resources might prove useful. Please see some favourite picks from our community energy friends across Australia explaining the theory and motivation behind our work.



Solar Citizens

While the Federal Government has been dragging its feet on national energy policy, the people have got on with the job and created a comprehensive Plan to Repower Australia. This report is a joint effort by the Repower collaboration. It shows how Australia can get to 100% renewable power by 2030. How? By rebooting our failing electricity system, removing the roadblocks holding us back, and investing in the renewables boom. See the report at www.solarcitizens.org.au/a_plan_to_repower_australia

Powered by the People



FIVE years ago, in September 2013, the Climate Council launched as an independent, not-for-profit organisation providing authoritative, accurate information on climate change to the Australian public.

The Climate Council was launched with the help of more than 16,000 Founding Friends who chipped in more than \$1.1 million in just over a week. The message was loud and clear: Australians demanded to know about climate change. See the report at www.climatecouncil.org.au/resources/powered-by-the-people-climate-council-five-years-on/

ClimateWorks Australia



The 'Pathways to Deep Decarbonisation in 2050: How Australia can prosper in a low carbon world' report, released 23 September 2014, presents an illustrative deep decarbonisation pathway for Australia – just one of many possible pathways – developed using a combination of well-established modelling tools to identify feasible and least-cost options.

This work finds that Australia can achieve net zero emissions by 2050 and live within its recommended carbon budget, using technologies that exist today, while maintaining economic prosperity. Major technological transitions and many activities are needed in some industries, but no fundamental change to Australia's economy is required. The technologies required for decarbonisation are currently available or under development. Find the full report here. www.climateworksaustralia.org/project/national-projects/pathways-deep-decarbonisation-2050-how-australia-can-prosper-low-carbon

Looking Ahead

Southern CORE Fund

In the next 12 months we aim to fund at least three more community energy projects. This is completely achievable through the resources we already have, including:

- Loan repayments from the Foster Swimming Pool and from each new project funded
- Income from the Power Purchase Agreement at the State Coal Mine, Wonthaggi
- Existing donations

Totally reNewable Towns

We are documenting the process and benefits of the Totally Renewable Phillip Island initiative in ways that will enable us to adapt this model with other towns. We have of course learnt from those that already have knowledge and experience in this area and maintain our connections with these generous people who regularly share with us. They include Taryn Lane, Nicky Ison, Jarra Hicks, Matt Charles-Jones and the many members of the Victorian Community Solar Alliance and Beyond Zero Emissions.

We aim to connect with many more communities that are inspired to take up the Totally Renewable Towns Initiative over the next 10 years, as we collectively strive to achieve the below 1.5 C temperature rise. In 2019 we would like to work with at least one more township or locality that has a commitment to collective action and the vision for a target such as 100% renewable or becoming carbon neutral.

We are responding to invitations from community and business groups and speaking at public forums on the benefits of going 100% renewable and how it can be done through a collective effort. One of our objectives with this initiative is Energy Justice – affordable, renewable energy for all. We will work to create win-win energy solutions and not the winners and losers scenario we are currently seeing in the energy market. We will also create opportunities so that everyone who wants to participate can.

Strategy Information

Our financial situation has strengthened through the Southern CORE Fund and grants for the Old Energy New Energy Project from the New Energy Jobs Fund, Bass Coast Community Foundation and Bass Coast Shire Council. Both these initiatives have led to sustainable incomes that will meet the needs of our projected activities in the short term. Additional Power Purchase Agreements offer a reliable income source for the EICo-op, but we are also keen to facilitate community renewable investment projects where up to 20 community investors can fund small to medium size (20kW to 500kW) installations and receive returns on that investment. We have partnered with Geelong Sustainability Group to learn from their success in facilitating a community renewable investment project, as we enter into this field.

Beyond 2019 we aim to fund at least four and up to seven community energy projects per year until 2030 (See graph on page 5). Our Business Plan has been updated to include activities that will lead to income sources that can support our longer-term objectives and extension of Totally reNewable Towns. In summary these activities include:

- Attracting more donations and grants,
- At least one more Power Purchase Agreement in 2019 and up to five in the next 10 years
- At least one community renewable investment project in 2019 and up to five in the next ten years.
- Development and roll-out of the Totally Renewable Towns Initiative in at least one more community in 2019 and more beyond that.

Organisations we will work with to strengthen our partnerships with in 2019 are Bass Coast and South Gippsland Shire Councils, Phillip Island Nature Parks, Westernport Water, Mondo Power and Ausnet Services. We are particularly interested in facilitating the development of a Renewable Energy Roadmap for the Bass Coast and South Gippsland Shire areas with communities across the region and these partners. We are the lead organisation operating in the Renewable energy space in this area and are therefore the best placed organisation to deliver on a Roadmap in a way that understands and strengthens the networks and relationships that exist in our region.

These activities will be reported on in the 2018 – 2019 Annual Report.

Financial Statements (Subject to audit)

Energy Innovation Co-Operative Ltd
PO Box 441 Korumburra, Vic., 3950

Profit & Loss Statement

two year comparison

For the year ended 30 June 2018

Income	2018	2017
Non Grant Income		
Advertising	-	145
Donations	154	877
Interest Received	683	490
Memberships	741	1,236
Workshops and Programs - Contributions	-	72
Total Non Grant Income	1,578	2,820
Grant Income		
Grants	11,773	5,400
Grants OENE	17,265	-
Total Grant Income	29,038	5,400
Total Income	30,616	8,220
Expenses		
Audit Fees	-	250
Workshops and Programs	286	82
Administration	-	520
Bank Charges	23	29
Book Keeping	200	100
Co-op & AGM Expenses	78	140
Computer Expenses	1,086	507
Energy Audits	-	136
Insurance	630	551
Advertising	1,659	665
Grant	227	-
Education and Training	-	1,800
Printing	1,451	111
Website	3,482	-
Postage	292	-
Feasibility Energy Assessments	800	-
OLD ENERGY NEW ENERGY		
Advertising	620	-
Project Officer	15,300	-
Subsidence Assessment	1,345	-
Total Expenses	27,479	4,891
Net Profit/(Loss)	3,137	3,329

Energy Innovation Co-Operative Ltd
PO Box 441 Korumburra, Vic., 3950

Balance Sheet

As of June 2018

Income	2018	2017
Assets		
Bendigo Bank Account	11,251	19,842
EI Co Op Public Account	-	838
Term Deposit 2506	22,298	21,915
Term Deposit 2507	14,495	-
Trade Debtors	1,000	-
GST Refundable	227	40
Total Assets	49,271	42,635
Liabilities		
Unexpended Grant Monies	31,435	33,250
GST Payable	1,071	11
Other Creditors	-	-
Accrued expenses	5,085	-
Total Liabilities	37,591	33,261
Net Assets	11,680	9,374
Equity		
Ordinary Shares	338	331
Retained Earnings	8,205	5,714
Current Earnings	3,137	3,329
Total Equity	11,680	9,374

Financial Statements (Subject to audit)

Accounts for Energy Innovation Public Fund

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Energy Innovation Public Fund

PO Box 441

Balance Sheet

Korumburra

As of June 2018

Vic 3950

Assets

Cheque Account	\$12,922.33
Term deposit 16180619	\$25,259.18
Loan Foster Swimming Pool	\$3,333.68
Loan Foster Swimming Pool NCA	\$13,333.00

Total Assets \$54,848.19

Liabilities

Net Assets \$54,848.19

Equity

Retained Earnings	\$837.73
Current Year Earnings	\$54,010.46

Total Equity \$54,848.19

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Energy Innovation Public Fund

PO Box 441

Profit and Loss Statement

Korumburra

July 2017 to June 2018

Vic 3950

Income

Interest Received	\$290.66
Grants	\$15,000.00
Donations	\$38,720.00

Total Income \$54,010.66

Gross Profit \$54,010.66

Expenses

Bank charges \$0.20

Total Expenses \$0.20

Operating Profit \$54,010.46

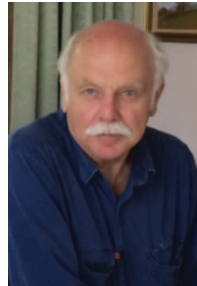
Net Profit/(Loss) \$54,010.46

Board Leadership

The Board members who have guided our work over the last 12 months are



Moragh Mackay
Board Chair



Dave Sutton
Board Member



Graeme Watson
Board Member



Susan Davies
Secretary



Bruce Hydon
Treasurer



John Coulter
Project Manager



Peter Wonfor
Deputy Chair



George Fairlie
Board Member

Donate and Volunteer

Our efforts are driven by our dedicated Board, our part-time project manager and through the partnerships we have forged with local communities and supporting organisations. Supporting our efforts beyond this can come in two forms: Donations to our tax deductible public fund, and: volunteering your time to help with project based or administrative tasks.

In 2018, apart from the Board directors, we'd particularly like to thank John Coulter, who has worked many more hours than the funding allows him to be paid for, Mel Glew who took on social media posting for both the Co-op and later Totally Renewable Phillip Island, Sue Dunbar who is tackling our membership updates and all those others who've taken on a particular task or offered assistance at different events. **None of this would happen without you!** Many thanks.

Support a greener footprint - donate to community energy!

Donations of over \$2 to the Energy Innovation Co-operative Public Fund are fully tax deductible. Every dollar donated to this fund is used over and over to support community groups put solar or energy efficiency measures onto buildings they manage, via the Southern CORE Fund.

Donors who since 2017 have made this possible include:

J Mumford, N Miller, S Davies, S Van Stockrom & Family, M Mackay & P Dann, R Bradbury, G Clark, L & L Giddy, M Scott, S Packham, O Wellings, P Wonfor, J Wood, Bass Coast Community Foundation, Electrical Trades Union, Mullum Trust, Australian Communities Foundation, R Guilder and several anonymous donors.



On behalf of the communities we will be able to assist, the EICo-op Board would like to offer our very sincere thank-you to all donors. You can make donations through eico-op.org.au or by writing to us info@eico-op.org.au or at **PO Box 111 Inverloch 3996**. We will post/email a donation form to you.

Volunteer and Help Make a Difference

Not everyone can make a financial contribution. If you have some time and are willing to discuss how you might best put it to use to support the Programs and Projects of the Energy Innovation Co-operative, **please make contact using the form below.**

- ☐ Volunteer with the Totally Renewable Towns Initiative
- ☐ Volunteer around the office with phone calls and other tasks
- ☐ Volunteer in a different way _____

Please visit our website <https://eico-op.org.au> to learn more, or call us 5657 3108.

Name: _____ Phone: _____

Email: _____

Address: _____

