

South Australia Low Carbon Investment Plan

On 1 December 2015, South Australian Premier the Hon Jay Weatherill released South Australia's Low Carbon Investment Plan. The Plan has been released on the back of the Premier leaving to attend the COP21 Climate Conference in Paris.

The Plan outlines the South Australian Government's intention to achieve \$10 billion of investment in low carbon energy generation by 2025 and 50 per cent of electricity production to be generated by renewable energy by 2025.

The South Australian Government draws on examples throughout the Plan of initiatives and projects it has established in efforts to reduce carbon emissions in South Australia.

In late November 2015, Mr Weatherill and Lord Mayor of the City of Adelaide Martin Haese entered an agreement to set a target for an Adelaide 'green-zone' to achieve net zero emissions by 2050. The project area for a carbon neutral Adelaide is the Adelaide City Council area, which includes the central business district, North Adelaide and the surrounding parklands.

Furthermore, the South Australian Government recently released the *Economic Priorities – First Year Review* which included two new objectives for 2017 including:

- Attracting five sustainable energy service companies to South Australia; and
- Using regulatory and procurement resources to promote the deployment and uptake of electricity storage solutions.

The South Australian Government has already generated \$6.6 billion of investment in renewable energy, of which 40 per cent is located in regional South Australia.

South Australian Carbon Neutral Priorities

In February 2015, the South Australian Government announced its commitment to establish Adelaide as the world's first carbon neutral city. In order to achieve this status, the Government has developed the following criteria to apply to new carbon neutral initiatives, including:

Local Industry Development: A carbon neutral initiative must seek to utilise local suppliers and capabilities as much as possible for low carbon energy projects and investment. Such projects could include the production of wind towers, solar panels, panel frame manufacturing, automation, engineering procurement and construction.

Job Creation: A carbon neutral initiative must lead to new jobs for South Australians.

Advanced manufacturing opportunities: A carbon neutral initiative must seek to develop innovative, high value goods and services in order to bring South Australia to become a participant on the global economic stage.

Carbon neutral Adelaide: A carbon neutral initiative must seek to either contribute directly by displacing emissions associated with the Adelaide city (the area as per above), or indirectly through reducing the grid intensity of emissions.

Research capability and industry expertise: A carbon neutral initiative must seek to further develop research capability, industry expertise and workforce skills that seeks competitive pricing for the long term. Furthermore, the initiative must seek to host national research expertise in emerging capability areas, such as energy storage, and enhances national and international links to leverage funding, equipment and expertise.

Low carbon energy portfolio: A carbon neutral initiative must seek to contribute to a wider portfolio of low cost-competitive carbon technologies. The Plan states the future portfolio is supported by energy efficient and enabling technologies such as: energy storage; electric vehicles; flexible grids; fuels; demand management; internet-based and grid stabilising technologies.

Resilient approaches: A carbon neutral initiative must seek to represent an approach that will not have an energy price impact for consumers and prioritises affordable living.

Key Strategies to achieve the targets

The Plan sets out how South Australia aims to achieve an investment target of \$10 billion by 2025 by drawing on examples of initiatives and projects where the South Australian Government is undertaking and has implemented for a low carbon economy:

Clear policy and efficient regulatory environment

The South Australian Government has:

- implemented the *Pastoral Land Management and Conservation (Renewable Energy) Amendment Act 2015* to allow wind farms, pastoral activity and resource exploration to co-exist on Crown land used for pastoral purposes;
- created the Investment Attraction Agency to attract new businesses and head offices of international firms to the state; and
- established the Office of the State Coordinator-General to oversee the approval processes for private sector development above \$3 million in investment value.

Information to inform investment

The South Australian Government is:

- undertaking a bio-energy roadmap to encourage new bio-energy projects; and
- looking to commission further updates to the Government's existing diesel data directory to allow proponents to assess more opportunities to offset diesel use with renewable or hybrid energy projects.

Sponsoring uptake and wider market deployment

The South Australian Government has:

- progressed legislation for building upgrade finance to allow building owners to access loans for energy, water and environmental efficiency for existing commercial buildings
- has invited interested parties to respond to an Expression of Interest for provision of low carbon electricity supply and services to meet up to 100 per cent of the Government's electricity needs; and
- supported a new financial and legal model for a community cooperative for energy efficiency and renewable energy on local council buildings.

Facilitating projects to leverage funding and support

The South Australian Government has:

- facilitated and provided case management support for the Sundrop Farms development for a 20 hectare greenhouse expansion at Port Paterson (near Port Augusta) showcasing a solar thermal facility to generate electricity, desalinate water and warm the greenhouse;
- supported the Coober Pedy wind and solar hybrid project by facilitating approvals for land access and providing a subsidy to enable the Coober Pedy Council to enter into a power purchase agreement for electricity; and
- investigated an opportunity for a high penetration renewable energy and battery storage power plant integrated with diesel for Marree, as a benchmark project for an off-grid community in South Australia's far north.

Project Deployment

The South Australian Government would be most interested in projects relating to the following areas:

- wind;
- solar;
- marine;
- geothermal;
- energy storage;
- low emission gas;
- electric vehicles; and
- off-grid power.

Further information

To view the Low Carbon Investment Plan for South Australia, click [here](#).

To view the South Australia Climate Change Strategy 2015-2050, click [here](#).

To view Hawker Britton's Occasional Paper on the South Australian Economic Priorities Review, click [here](#).