

# Renewable Communities Program

Application Guidelines



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## Minister's Foreword

Victoria, along with the rest of the world, is experiencing the challenges and opportunities of a major energy sector transition. The Victorian Government is working hard to capitalise on this transition and develop the new energy technologies sector in our state.

The Victorian Renewable Energy Targets (VRET) of 25 per cent by 2020 and 40 per cent by 2025, together with our commitment to net zero emissions by 2050 position the state to maximise benefits from the energy transition, lowering energy costs and boosting the economy.

At a community level, support for renewable energy is strong. Community groups are playing a valuable role in positioning Victoria as a leader in renewable energy by establishing grassroots projects that adopt new business models and energy technologies.

The Victorian Government continues to encourage the development and implementation of community energy projects which can provide a wide range of benefits, including direct financial returns from investment in renewable energy; local job creation; and broader social and environmental benefits.

The Renewable Communities Program has been designed to support community energy groups to implement their projects, and lessons learned from the delivery of the program will be shared with community groups across the state so that the full benefits of this funding are captured.



A blue ink handwritten signature of Lily D'Ambrosio.

**The Hon. Lily D'Ambrosio MP**

Minister for Energy,  
Environment and Climate  
Change

The \$1 million Renewable Communities Program aims to support the implementation of community-scale renewable energy generation.

## 1. Overview

Victoria's energy sector is undergoing a significant transformation and community groups are participating by establishing grass roots projects that adopt new energy technologies and business models. Renewable energy can deliver many benefits for Victorian communities, including local jobs and economic benefits as well as driving positive and social outcomes and assisting Victorians to control their energy costs.

The Renewable Communities Program (RCP) is overseen by the Minister for Energy, Environment and Climate Change and administered by the Department of Environment, Land, Water and Planning (DELWP).

In recognition of the capacity and capability constraints often faced by community renewable energy groups successful applicants will also be offered the services of a mentor to assist in the delivery of their project.

## 2. Objectives

The objective of the Renewable Communities Program (the Program) is to support the delivery of implementation ready community led renewable energy project(s).

Funding (of up to \$1 million) will be provided for project(s) that:

- will increase the uptake of renewable energy generation;
- consider energy justice and social benefit;
- promote community participation; and
- reduce greenhouse emissions.

## 3. Who can apply?

Eligible organisations must:

- operate in Victoria;
- be a not-for-profit organisation or an established community energy co-operative;
- be able to demonstrate that the organisation has at least three years operating history; and
- have an Australian Business Number (ABN).

Matched funding is not required; however, applicants must have secured or have a plan to secure a cash contribution towards the project (minimum of 10%). Applications with higher funding contributions will be viewed favourably. In-kind contributions cannot exceed 15% of the budget.

For the purposes of the RCP a not-for-profit organisation is defined as an organisation that:

- registered in accordance with the Corporations Act 2001;
- incorporated as an association under the Associations Incorporation Reform Act 2012;
- incorporated as a co-operative under the Co-operatives National Law Application Act 2013 or National Co-operatives Law (Victoria) 2014;
- a 'Council' within the meaning of the Local Government Act 1989; or

- a committee of management incorporated under the Crown Land (Reserves) Act 1978.

## 4. What will be funded?

The RCP will fund the implementation of new community renewable energy projects that:

- delivers the majority of benefits to the participating community;
- utilises technology that is commercially-ready renewable energy or new energy generation technology;
- is located in Victoria; and
- will be completed by December 2020.

Grant funding provided by RCP will not fund:

- projects that have already commenced construction;
- feasibility studies or business case development;
- land acquisition;
- routine or ongoing maintenance works, expansion of an existing generation facility;
- non-renewable generation technologies;
- recurrent operating costs;
- salaries; and
- project activities that have been previously funded by the Commonwealth or Victorian Governments.

## 5. How will projects be assessed?

Applications will be assessed against the criteria detailed below. Applications should address all relevant criteria and provide supporting documents set out in section 5.2. Percentage weightings are provided as a guide to the relative importance of different criterion in the assessment process.

Information contained in the applications may be shared with other State or Commonwealth Government agencies to seek clarification on an application or applicants.

The department will review applications for completeness and to check that they meet the eligibility requirements. Applications that do not meet the eligibility requirements will not be considered further in the assessment process.

All eligible applications will be assessed on merit against the assessment criteria.

## 5.1 Assessment Criteria

### Criterion 1 – Why are you doing this project? (20%)

Applications will be required to:

- describe the problem or opportunity that this project is addressing; and
- demonstrate the extent to which the project addresses the identified problem or opportunity (what will change as a result of implementing this project?).

### Criterion 2 – What will be delivered? (20%)

Applications will be required to:

- describe the project including:
  - details of exactly what will be delivered
  - work done to date to ensure the project is ready for implementation (business case, feasibility studies or other evidence)
  - the extent to which the project site has been selected and access secured (including planning approval and connection agreements); and
- clearly identify any other expected benefits to the community– i.e. economic benefits.

### Criterion 3 – Who will benefit? (30%)

Applications will be required to:

- provide details of project participants (households, businesses, community organisations); and
- clearly articulate and describe the details of the expected benefits (i.e. savings in energy costs, increased renewable energy access, etc.) for participants and how these have been determined or calculated (i.e. describe the customer value proposition).

### Criterion 4 – How will the project be delivered? (30%)

Applications will be required to:

- describe how the grant funding will be used and justify why this is the appropriate use of the funds (including completing the cash flow template);
- provide details of the proposed strategy for engaging participants and/or key partners for the project and describe the role of participating organisations;
- describe the additional funding sources required for the project and the timing for this funding to be secured;
- describe the capability and capacity of the applicant to deliver the project including the skills and experience of individual personnel and project partners; and
- complete and attach the project delivery schedule template

Where there are concurrent funding applications, applications must identify how the project will be funded if other applications are unsuccessful.

## 5.2 Supporting Documentation

The following supporting documentation must be attached:

- project cash flow template;
- project delivery schedule template;
- project risk register; and
- any other documents to support the application, however, these documents will not be considered in the assessment of the application.

Templates for the supporting documents can be downloaded from <https://www.energy.vic.gov.au/renewable-energy/community-energy>

## 6. How to apply?

### 6.1 Application process and key timing

Applications for eligible projects must be made via the online grant management portal. Applications must be received by the department no later than **2pm, Monday 1 October 2018**. The link to the online portal can be found at <https://www.energy.vic.gov.au/renewable-energy/community-energy>

### 6.2 Program Timing

Indicative program timing is summarised below:

	Date
<b>Applications Open</b>	<b>30 August 2018</b>
<b>Applications Close</b>	<b>1 October 2018 (2 pm)</b>
Successful applicants notified	October 2018
Project Completion	By December 2020

### 6.3 Application requirements

Applicants should:

- address all the project assessment criteria in their response to each question;
- include all key information, data and evidence to support the responses; and
- provide a primary contact for any follow-up.

DELWP staff may make contact with applicants to seek further clarification of the information submitted.

### 6.4 Applicant Questions

Applicants can submit clarification questions in relation to the application guidelines, the application process and the broader program to the department. Questions must be lodged no later than to **Monday 24 September 2018**. Any information provided by the department in response to any question raised by a potential applicant, may be uploaded onto the “Frequently Asked Questions” webpage. Clarification questions can be submitted to: [new.energy@delwp.vic.gov.au](mailto:new.energy@delwp.vic.gov.au)

## 7. Funding conditions

### 7.1 Funding agreement

Successful applicants must enter into a funding agreement with DELWP. Funding agreements establish the parties and outline their commitments and obligations to each other, as well as setting out the general funding terms and conditions. It is recommended that applicants review the terms and conditions before applying (<https://www.energy.vic.gov.au/renewable-energy/community-energy>). No funding will be released until DELWP and the applicant have executed the funding agreement and the appropriate milestone evidence identified in the funding agreement has been met. DELWP reserves the right to withhold payments in cases where evidence has been provided but the Department deems that there are concerns relating to the delivery of the project. In this instance, the Department will release funding when appropriate actions have been taken to ensure the funding project is delivered within the agreed timeframes.

### 7.2 Project monitoring and delivery

Funding recipients are required to comply with project monitoring and reporting requirements to be outlined in the funding agreement. Proponents are responsible for project delivery, including any project cost overruns should they occur. In cases where a project is delayed for an unreasonable length of time, where substantive changes to scope are made after funding has been approved, or where a project fails to be delivered, DELWP reserves the right to cancel the grant and, if applicable, recoup any payment that has already been provided.

### 7.3 Acknowledgement

Successful applicants are expected to acknowledge the Victorian Government's support and promotional guidelines will form part of the funding agreement. Successful applicants must consult the department prior to the publication of any project promotional materials and liaise with the departmental program area to coordinate any public events or announcements related to the project. Successful applicants may be required to contribute information on activity outcomes for use in program evaluation or in the department's communication materials.

### 7.4 Cost

The Department is not liable for any costs, expenses, losses, claims or damages that may be incurred by Applicants in connection with the Application Process, including in preparing or submitting an Application, providing further information to the Department, or participating in negotiations with the Department.

### 7.5 Probity for Application Procedures

The Applicant and any of its associates must not offer any incentive to, or otherwise attempt to influence any of the persons who are either directly or indirectly involved in the Application Process, or in awarding any subsequent contract. If the Department determines that the Applicant or any of its associates have violated this condition, the Applicant may be disqualified from further consideration, in the Department's absolute discretion.

By submitting an Application, the Applicant consents to the Department performing probity and financial investigations and procedures in relation to the Applicant or any of its associates. The Applicant agrees, if requested by the Department, to seek consents from individuals to allow such probity checks.

### 7.6 Confidentiality

The department will, to the extent permitted by law, treat all information as strictly confidential and commercial-in-confidence where relevant. Any personal information will be managed in accordance with the published Privacy Policy, which can be found at [www2.delwp.vic.gov.au/privacy](http://www2.delwp.vic.gov.au/privacy).

## 8. Contacts and Further Information

For more information:

- Community energy webpage: <https://www.energy.vic.gov.au/renewable-energy/community-energy>
- Email the program team at [new.energy@delwp.vic.gov.au](mailto:new.energy@delwp.vic.gov.au)
- Grant information line: 1300 366 356 or [grantsinfo@delwp.vic.gov.au](mailto:grantsinfo@delwp.vic.gov.au)

If you experience difficulty downloading information or technical difficulties with the online application, please **contact the grants information line on 1300 366 356.**

