



Revolving Energy Reserve Policy

Date policy was adopted by Council:	23 May 2012
Resolution number:	105/12
Previous Policy review date:	November 2013
Next Policy review date:	July 2016
Reference number:	C1212908

1 OUTCOMES:

The Revolving Energy Reserve (RER) is a mechanism where the savings achieved through the implementation of energy efficiency projects can be re-invested to provide funding for future energy efficiency projects.

While the RER will provide for long-term financial savings by building on initial savings achieved through energy efficiency initiatives the primary aim is not so much to create cost savings but to fund the creation of energy efficient Council assets. By securing funding and commitment it will allow for long term planning around energy management and take the pressure off annual maintenance budgets.

The reserve will also provide an opportunity for Council to meet its directives under the Community Strategic Plan (CSP), Sustainability Policy and Climate Change Action Plan (CCAP) by providing a method to fund the reduction of Greenhouse Gas Emissions.

2 POLICY:

The RER will allocate funding to energy efficiency projects and reinvest the savings from these projects to the reserve to allow for the continuation of energy efficiency projects.

The RER will be managed by a Steering Committee responsible for deciding the allocation of funds, reporting to Council on progress, monitoring the savings resulting from energy efficiency projects and reallocating funding to the Reserve based on savings.

Projects to receive funding will be prioritised by the hierarchy below:

- Return on investment period from realised savings
- Reduction of CO₂e
- Reduction of energy
- Capital cost
- High achievability/low risk
- Innovation
- Total amount sought from the Revolving Energy Fund
- Strategic importance
- Additional benefits

3 DEFINITIONS

Carbon Dioxide Equivalent (CO₂e). A standard measure that takes account of the different global warming potentials of greenhouse gases and expresses the cumulative effect in a common unit.

Greenhouse gas emissions (GHG). Emissions of the six major greenhouse gases, which vary in their relative warming effect. The six gases are: carbon dioxide (CO₂), methane(CH₄), nitrous oxide (N₂O), HFCs (hydrofluorocarbons), PFCs (perfluorocarbons) and sulphur hexafluoride (SF₆).

4 LEGISLATIVE OBLIGATIONS AND/OR RELEVANT STANDARDS

Local Government Act 1993 Sections 7e and Section 8

The stated purpose of the Act (Section 7e) is “*to require Councils, Councillors and Council employees to have regard to the principles of Ecologically Sustainable Development in carrying out their responsibilities*”.

Section 8 sets out the charter of a local Council in NSW and includes the requirement for a Council to “*properly manage, develop, protect, restore, enhance and conserve the environment of the area for which it is responsible in a manner which is consistent with and promotes the principles of Ecologically Sustainable Development*” and “*have regard to the long term and cumulative effect of its decisions*”. So taking into account the principles of ESD is a legal requirement for all Councils under the Local Government Act.

Council’s Sustainability Policy –Resolution No. 80/11

5 CONTENT:

Details on the methods for managing the reserve are included in the Revolving Energy Reserve Directive.

6 PERFORMANCE INDICATOR


The Steering Committee will report to Council annually on the progress of projects funded through the RER and the Greenhouse Gas Emission Savings.

Other Performance Indicators to be used include:

- % of funds utilised in the year
- No. of suggestions out forward for projects to be funded
- Return on investment
- Energy and greenhouse gas emissions saved per \$ spent

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PROCEDURES/GUIDELINES:-	
Date Procedure/Guideline (if any) was developed:	
RECORDS:-	
Container Reference in TRIM: Policy	SF080616
Container Reference in TRIM: Procedure	
Other locations of Policy:	Intranet (linked to TRIM Container)
Other locations of Procedures/Guidelines:	
DELEGATION (if any):-	
RESPONSIBILITY:-	
Draft Policy developed by:	Group Manager Sustainability and Better Living
Committees (if any) consulted in the development of the Draft Policy:	SAS
Responsibility for Implementation:	Group Manager Sustainability and Better Living
Responsibility for Review of Policy:	Group Manager Sustainability and Better Living

INTEGRATED PLANNING FRAMEWORK:	
Community Strategic Plan:	Strategic Priority No. 6
Delivery Program Title:	Sustainability and Environment Reporting
Operational Plan:	Program No. 521

Senior Authorising Officer	Position General Manager	Signature/Date  24 May 2012
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ACTION	COUNCIL MEETING DATE	RESOLUTION NUMBER	REPORT ITEM NUMBER
NEW/RECONFIRMED/ AMENDED			
New	23 May 2012	105/12	Item 3

DATE REVIEWED	REVIEWER POSITION	REVIEWER NAME
November 2013	General Manager	Gary Chapman