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| 21 OCTOBER 2009 | |

DAINTREE GREEN POWER OPTIONS STUDY (DGPOS)

Bob Baade: np: 13/7/1-01: #2363165

RECOMMENDATION:

That Council:

- 1) Consider this report as part of he overall planning process committed to as part of the December 2008 Daintree Summit.
- 2) Apply to the State Government to have the "Electricity Supply in the Daintree Region" Policy rescinded with request that any decision on the delivery of power to this region provide clear delivery timelines and anticipated costs to all participants.
- 3) Further meetings be held with residents north of the Daintree River to convey the background to the above recommendations.

INTRODUCTION:

Ms Kim Forde, Director and Senior Environmental Consultant, Tropical Consulting Services Pty Ltd, was commissioned to undertake the DGPOS on 12 June 2009.

The Report has been completed and is provided separately for Council's consideration.

BACKGROUND:

Council will be aware that the State Government's Electricity Supply in the Daintree Region policy states that residents from the Daintree River to the north of Cape Tribulation are only permitted to be supplied electricity through the use of stand-alone power systems. Stand-alone power is an electricity system that is not connected to the supply network of a distribution entity, namely Ergon Energy, and prohibits individual property owners from providing power to other landowners.

Many residents within the power exclusion zone are seeking the rescission of the Electricity Supply in the Daintree Region policy. The extension of Ergon Energy mains power into the region is NOT considered an option. Alternative suggestions for providing power in different communities is addressed in the Study.

COMMENT:

Environmental issues relating to green house gas emission and underground power have been addressed in the Study.

Sourcing suitable cleared areas for RAP's 2 hybrid systems will be a challenge.

The capital expenditure and operational expenditure for both RAP's 1 and 2 are likely to be substantial.

Financial assistance from the State or Federal Government to reduce the consumer costs will be an important factor relating to their acceptance of the new power supply initiatives.

All levels of Government have a responsibility to assist with abating the green house gas emissions, particularly being adjacent to the Daintree World Heritage Listed property.

The Study refers to a number of documents supporting the authors' belief that the first two elements of the Three Point Plan have been delivered. This means that the planning and conservation values of the area are now effectively protected by legislation.

The third element of the Three Point Plan is the investigation of grid power supply (not to be confused with Ergon's mains power).

If the State Government rescinds the State Government Electricity Supply in the Daintree Region policy then I consider it appropriate that Ergon Energy should then assume full control of the project development.

It is intended to run a Workshop on the outcomes of this Study prior to the consideration of this report at the Ordinary Meeting.

CONSIDERATIONS:

Corporate and Operational Plans:

6.6 Be innovative and work in collaboration with key stakeholders, suppliers, partners and in collaboration with Council Boards and Reference Groups.

Statutory:

Electricity Supply in the Daintree Region policy.

The possibility of new Federal Government legislation relating to the proposed Carbon Pollution Reduction Scheme may also have future ramifications.

Policy:

The State Government's Electricity Supply in the Daintree Region policy.

Financial and Risk:

Funding was available in the 2009/10 Budget to finance the DGPOS.

Further technical input and design will be required to ascertain more accurate cost estimates to determine whether State and/or Federal Government funding can be provided to reduce the financial impact to consumers.

Sustainability:

- Environment The project will focus on enhancing environmentally sustainable outcomes.
- Economic/Social A reliable economical power source will provide improved social and economic outcomes.

CONSULTATION:

Discussions with Kim Forde and Cr Leu.

Kim Forde held two public meetings on the 18th August 2009 at the Diwan Sports and Recreation Centre, Diwan. Further details on consultation are in the Draft Study.

It was decided to make some minor changes to the Draft Study.

If the Study recommendations are adopted by Council it was decided to have further meetings with the residents north of the Daintree River on 10 November 2009.

Seek the support of the State Member for Cook, Jason O'Brien, if Council adopts the Recommendation.

The Mayor and Councillors may like to attend a meeting with Cr Leu, The Missing Link Consultants, and residents at Diwan on 10 November 2009.

OPTIONS:

Accept the recommendations of the study and this report.

Not accept the recommendations.

Accept the recommendations with amendments.

CONCLUSION:

Many residents within the State Governments Electricity Supply in the Daintree Region policy area require a level of service compatible with or similar to remote power supplies in Queensland.

There are some residents that have the skills and ability to live within the constraints of solar energy. These people may not wish to connect to a mini-grid system.

The efficiency and reliability of power supply systems will benefit from innovative planning, engineering and demand management.

The DGPOS addresses the issues raised at the 2008 Summit and meets the outcomes listed in the Consultancy Brief.

ATTACHMENTS:

A copy of the Daintree Green Power Options Study, September 2009, prepared by Kim Forde, The Missing Link – Resource Coordinators Pty Ltd. will be forwarded separately.

Bob Baade

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John Hawkes

General Manager Works & Services