

Your school can access low cost renewable power

The future of energy procurement for schools

Webinar presented on 16/04/19 hosted by

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Introductions



Jacob Mahoney
Senior Account Manager

- Account Manager at Flow Power with many years experience in energy consulting with a history of working in the utility industry.
- Loves a good smashed avocado on toast



Tricia Lorenzo
Senior Business Development Manager

- Experience working with businesses to access renewable energy using innovative purchasing models
- Used to be an amateur boxer

Making sure you always have innovative ways to access fair rates and find efficiency savings fuels us.

Flow Power is a licensed retailer providing wholesale electricity. We're reshaping how Australian businesses experience energy, so they can have real power when it comes to their energy.



Overview

1. Market overview
2. A Power Purchase Agreement (PPA)
3. Turning energy into an opportunity
4. Next steps
5. Questions



Market overview



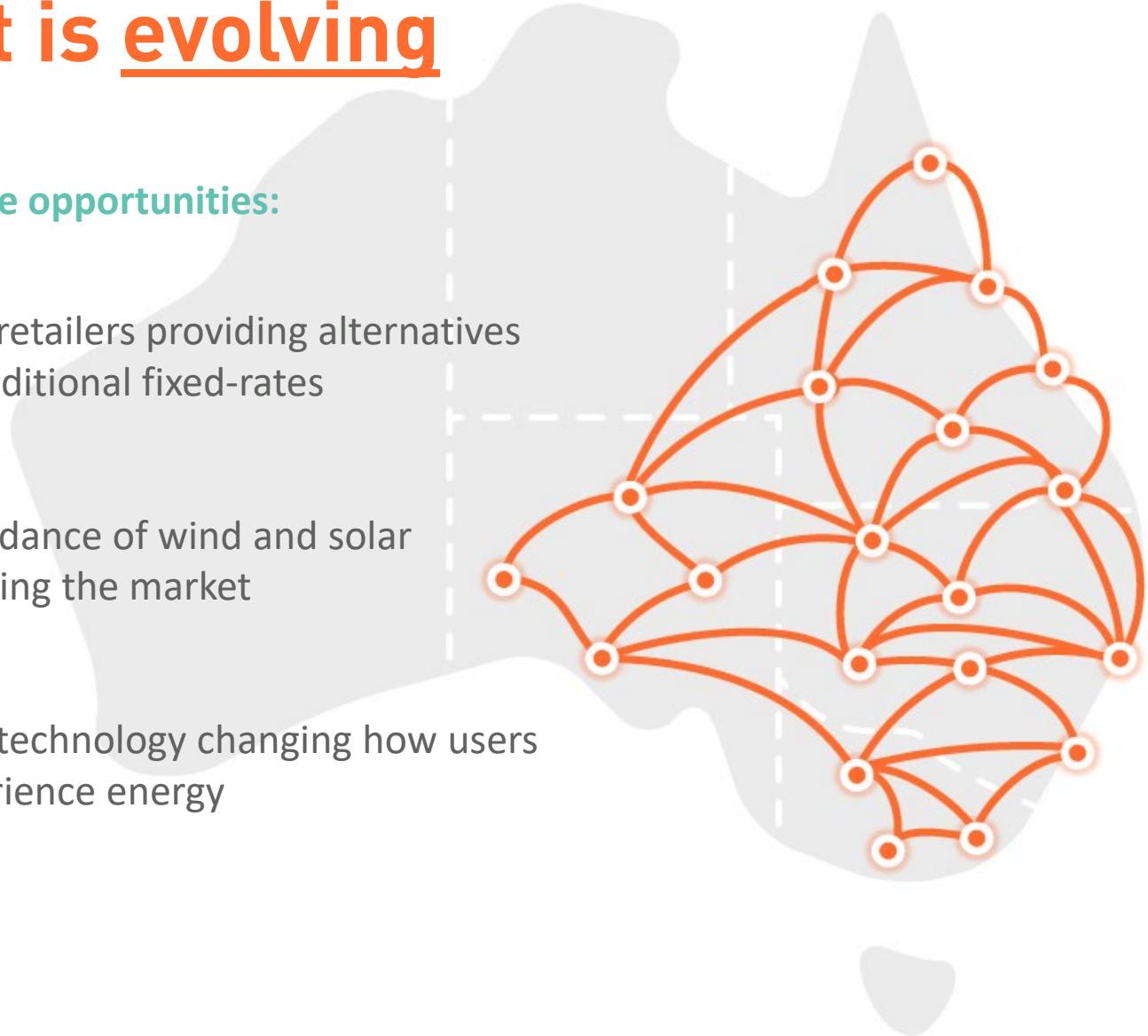
Australia's energy market is evolving

Let's take a look at the drivers:

- + Increased reliance on gas
- + Coal-fired stations exiting the market
- + States being interconnected via the NEM passes through high prices and volatility to all states.

...and the opportunities:

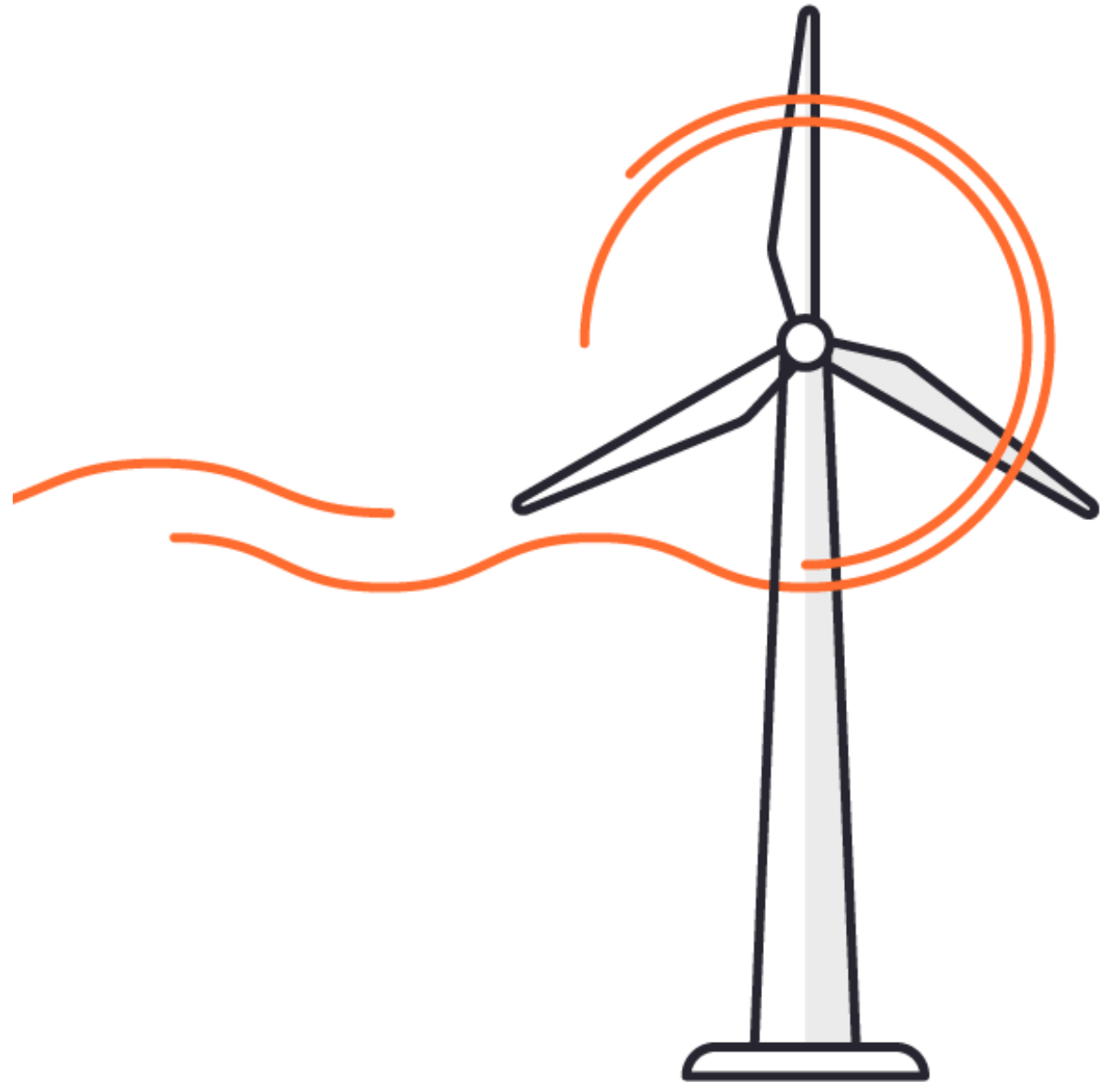
- + New retailers providing alternatives to traditional fixed-rates
- + Abundance of wind and solar entering the market
- + New technology changing how users experience energy



Renewables snapshot

- + Investment in large scale renewable projects in 2018 was double that of 2017
- + 14.5 GW of new energy generation under construction or financially committed at the end of 2018
- + 21% of total electricity generated from renewable sources – its highest level ever
- + Lowest-cost type of new energy generation that can be built

Source: Clean Energy Australia Report 2019, Clean Energy Council



What does this mean for schools?

Australia's schools need a few things:

- + Lower energy costs
- + Long-term price certainty
- + More sustainable operations

And this will help drive these opportunities:

- + Lower overall business expenditure
- + Ability to budget for the future and ensure business growth
- + Meet sustainability commitments and expectations set by key stakeholders
- + Display commitment to students and support development of renewable sources of power

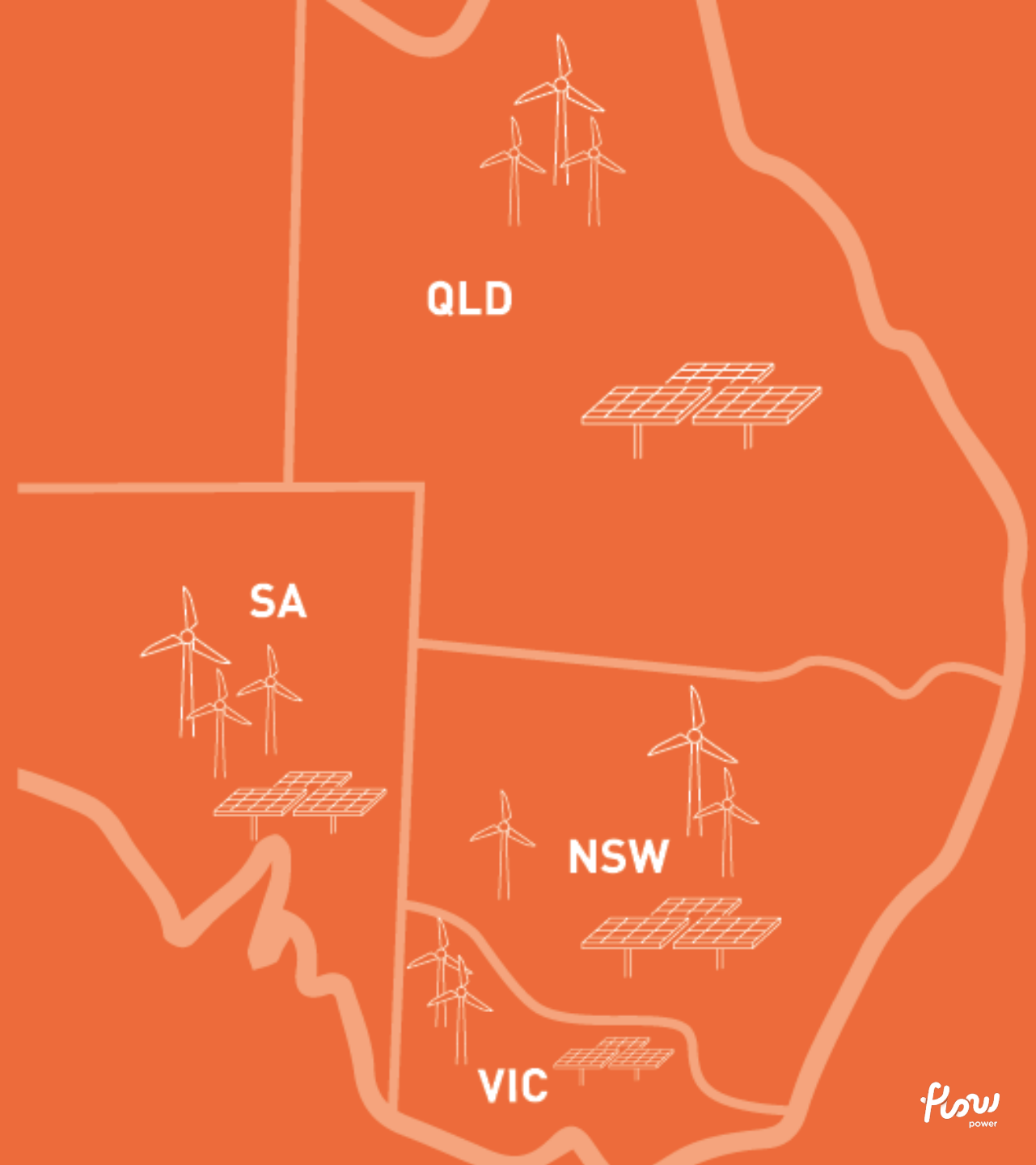
The future is renewable

In 2017, Flow Power launched its Corporate Renewable Power Purchase Agreement (PPA) offering for business to buy power from large scale wind and solar farms.

We now have **10 wind and solar** offtake agreements across all of the mainland NEM states.

Since the beginning of 2018, businesses which signed onto our Corporate Renewable PPAs collectively saved:

\$14 M



Enter the Power Purchase Agreement (PPA)

A Win-Win

Renewable projects

- Revenue certainty required for investment
- Community support
- Contracting generation reduces cost of capital

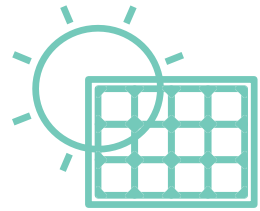


Schools

- Reduced energy costs
- Long-term price certainty
- Industry leadership
- Achieve sustainability goals
- Connecting school sustainability programs to wind and solar farms



You have a few options...



Onsite generation

- + Install behind the meter on site
- + Usually one source of generation and long term
- + Offsets energy, network and environmental costs
- + Needs space and maintenance

Financial PPAs

- + Direct agreement with generator
- + Outside retail agreement and not matched to load
- + Requires legal, compliance and accounting engagement – 123 pages
- + No capital investment
- + Typically requires > 5-10 MW of capacity



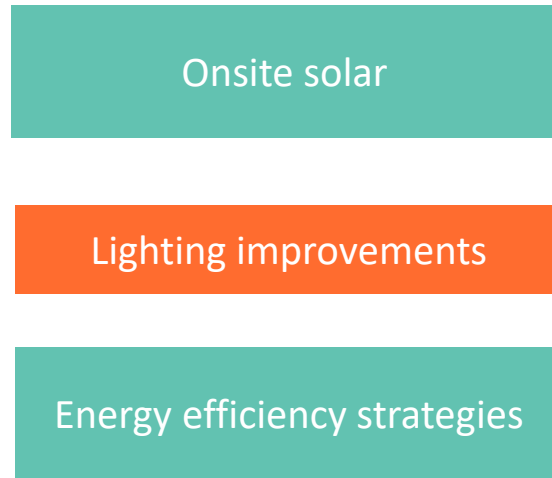
Offsite generation

Virtual Generation Agreements

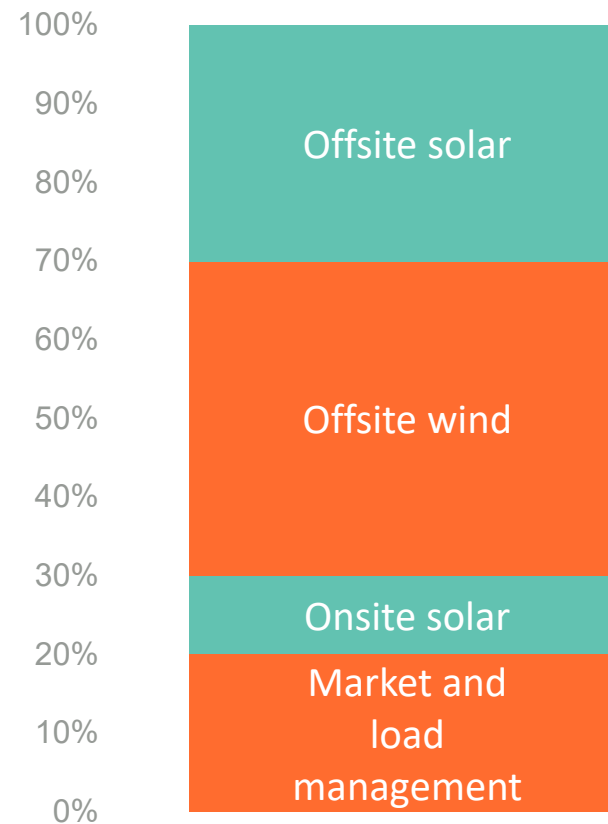
- + Agreement through a retailer with generator – 14 pages
- + Integrated into retail agreement
- + Offsets energy and possibly environmental costs
- + No capital investment
- + No size limitation on customer size

The next step in your energy strategy

Schools may have already invested in....



A more complete energy strategy



Working together to reshape how you buy power

If schools and retailers got behind Corporate Renewable PPA, this could:

- + Allow more schools to reach sustainability targets
- + Drive investment to Australia's pipeline of renewable projects.
- + Reduce carbon footprint and overall emissions
- + Tap into savings
- + Educate students using insights from the kWatch Controller
- + Site excursions to wind and solar farms



How the procurement process works



Step One

A quick chat

Have an discussion over the phone to confirm schools needs.



Step Three

Renewable generation starts

You're signed up – it's as easy as that



Step Two

Review your proposal

Evaluate the savings and benefits for your school



Step Four

See the benefits

Renewable power is low cost and the savings start

Turning energy into opportunity

Meet David. He is the Business Manager for a independent secondary school

He's ready to review the school's energy spend and bring it into alignment with the school's new improvement plan

He needs a new way to buy power and avoid rising costs

He calls Flow Power to understand how he could access wind and school power for his school

David goes to market



He receives fixed rate offers from retailers for 200% more

Sept 2017



He begins looking for alternatives



He finds Flow Power

Nov 2017



Flow Power finds a solution that matches his school's needs to renewables

Jan 2018



David's contract begins

The students and school is committed to achieving it's sustainability targets so they need a new approach to procuring power.

We looked at the schools power use and make sure David is optimising the value of renewables in line with the school's operations

In this case close to 90% of David's power can be covered by wind and solar

This is a significant portion that will allow the school to focus on sustainability and educate students in the future



Case study outcome

After one year on our Corporate Renewable PPAs, David already started to see results



Total savings

Since the beginning of 2018, businesses which signed onto our Corporate Renewable PPAs collectively saved



\$14M



Carbon footprint

Reduced carbon footprint and overall emissions



Price certainty

A set price for an extended time period



5-10 years



Involve the students

Educate students and organise excursions to wind and solar farms

Next steps?

If you would like to participate please give us a call on 1300 08 06 08



Questions?