

Community Solar Banks – Western Australia

FEDERATION FUNDING AGREEMENT – ENVIRONMENT

Table 1: Formalities and operation of schedule

Parties	Commonwealth Western Australia (WA)																				
Duration	This Schedule is expected to expire on 30 June 2026 or on completion of projects, including final evaluation reports, unless terminated earlier or extended as agreed in writing by the Parties.																				
Purpose	This Schedule will support two projects: - the deployment of shared rooftop solar in five remote communities (targeting 433 households) in the Kimberley - the deployment of large-scale centralised solar infrastructure and scaling of a product to provide the customer benefits to multiple towns in regional WA (targeting 1600 households).																				
Estimated financial contributions	The Commonwealth will provide a total financial contribution of \$7.3m to the WA Government who will arrange for a co-contribution from Horizon Power in respect of this Schedule. This funding is from the Commonwealth’s Community Solar Banks Program with the Commonwealth’s funding contributing of \$4.56m to the Kimberley Community Solar Saver project and \$2.74m to the Sunshine Saver expansion project. WA Governments/Horizon Power’s funding contribution is estimated at \$6m for the Kimberley Community Solar Saver project and \$6.6m towards centralised renewable solutions and product development for Sunshine Saver project.																				
	<table><tr><td>Kimberley Communities Solar Saver (\$ million)</td><td>2023/24</td><td>2024/25</td><td>2025/26</td><td>Total</td></tr><tr><td>Estimated total budget</td><td>5.00</td><td>5.56</td><td>0</td><td>10.56</td></tr><tr><td><i>Less estimated National Partnership Payments</i></td><td>2.28</td><td>2.28</td><td>0</td><td>4.56</td></tr><tr><td>Balance of non-Commonwealth contributions</td><td>2.72</td><td>3.28</td><td>0</td><td>6.00</td></tr></table>	Kimberley Communities Solar Saver (\$ million)	2023/24	2024/25	2025/26	Total	Estimated total budget	5.00	5.56	0	10.56	<i>Less estimated National Partnership Payments</i>	2.28	2.28	0	4.56	Balance of non-Commonwealth contributions	2.72	3.28	0	6.00
Kimberley Communities Solar Saver (\$ million)	2023/24	2024/25	2025/26	Total																	
Estimated total budget	5.00	5.56	0	10.56																	
<i>Less estimated National Partnership Payments</i>	2.28	2.28	0	4.56																	
Balance of non-Commonwealth contributions	2.72	3.28	0	6.00																	

	Sunshine Saver Expansion (\$ million)	2023/24	2024/25	2025/26	Total
	Estimated total budget	4.67	4.67	0	9.34
	Less estimated National Partnership Payments	1.37	1.37	0	2.74
	Balance of non- Commonwealth contributions	3.30	3.30	0	6.60
Use of Commonwealth Funds	Commonwealth funding will be used for capital expenditure towards shared solar infrastructure projects and product development.				

Performance milestones – Kimberley Communities Solar Saver project		Report due	Payment
Milestone 1 Commonwealth acceptance of a Project plan containing implementation details, timelines and milestones for each community (Beagle Bay, Djarindjin/Lombadina, Ardyaloon, Bidadanga and Warmun) - A community energy profile for each community showing the existing conditions to provide a baseline for evaluation - A Community Engagement Plan outlining engagement and communication for each community including community education activities - Evidence of arrangements with key program stakeholders where applicable, for example local Aboriginal Corporations and contractors.		01/12/2023	\$1.14m
Milestone 2 Commonwealth acceptance of a Progress Report containing: - Number of rooftop solar installations completed (including average kW size for each community and total capacity) - Number of households participating (total as well as subset for each community) - Household savings to date (overall and average per household for each community) - Emissions reductions to date (for each community including per year estimate) - Overview of community engagement and education activities and associated consumption behaviour data - Expense Report containing high level budget contracts/commitments, payments and administration expenses, highlighting financial contributions towards project.		01/05/2024	\$1.14m
Milestone 3 Commonwealth acceptance of a Progress Report containing: - Number of rooftop solar installations completed (including average kW size for each community and total capacity) - Number of households participating (total as well as subset for each community) - Household savings to date (overall and average per household for each community) - Emissions reductions to date (for each community including per year estimate) - Overview of community engagement and education activities and associated consumption behaviour data - Expense Report containing high level budget contracts/commitments, payments and administration expenses, highlighting financial contributions towards project.		01/11/2024	Up to \$1.14m based on co-contributions in 2024/25.
Milestone 4 Commonwealth acceptance of a Progress Report containing: - Number of rooftop solar installations completed (including average kW size for each community and total capacity)		01/05/2025	Payment will be based on the co-contributions up to

- Number of households participating (total as well as subset for each community) - Household savings to date (overall and average per household for each community) - Emissions reductions to date (for each community including per year estimate) - Overview of community engagement and education activities and associated consumption behaviour data - Expense Report containing high level budget contracts/commitments, payments and administration expenses, highlighting financial contributions towards project. Payment will be reduced to match WA/Horizon Power's co-contribution if it was less than \$4.56m over the two financial years.		\$4.56m across 2023/24 and 2024/25.
Milestone 5 Commonwealth acceptance of a Final report containing: - Number of rooftop solar installations completed (including average kW size for each community and total capacity) - Number of households participating (total as well as subset for each community) - Household savings to date (overall and average per household for each community) - Emissions reductions to date for project (for each community including per year estimate) - Overview of community engagement and education activities and associated consumption behaviour data - Expense Report containing high level budget contracts/commitments, payments and administration expenses, highlighting Horizon Power's financial contribution towards project. Project closure report Project evaluation report for each community	1/05/2026	\$0

Performance milestones – Sunshine Saver Expansion		
Performance milestones	Report due	Payment
Milestone 1 Commonwealth acceptance of a Project plan containing implementation details, timelines and milestones for centralised solar deployment and rollout of the Sunshine Saver product in the targeted towns (Port Hedland, Exmouth, and Mid-West towns) - An energy profile for each community showing the existing conditions to provide a baseline for evaluation - A Community Engagement Plan targeting households and towns including advertising and communication and community education activities.	01/12/2023	\$0.685m

- Evidence of arrangements with key program stakeholders where applicable, for example local communities, Councils and solar infrastructure contractors.			
Milestone 2 Commonwealth acceptance of a Progress Report containing: - Progress on the renewable assets (centralised solar construction) - Number of households participating in the Sunshine Saver program (number of household subscribers by town and target group: Renters, Concession, Hardship, Low income) - Household savings to date (overall and average per household for each town) - Evidence of advertising and marketing activities including community engagement - Expense Report containing high level budget contracts/commitments, payments and administration expenses, relating to the rollout of the product and solar infrastructure.	01/05/2024		\$0.685m
Milestone 3 Commonwealth acceptance of a Progress Report containing: - Progress on the renewable assets (centralised solar construction) - Number of households participating in the Sunshine Saver program (number of household subscribers by town and target group: Renters, Concession, Hardship, Low income) - Household savings to date (overall and average per household for each town) - Evidence of advertising and marketing activities including community engagement - Expense Report containing high level budget contracts/commitments, payments and administration expenses, relating to the rollout of the product and solar infrastructure.	01/11/2024		Payment will be made for each progress report based on the co-contributions towards solar infrastructure. Total payments for 2024-25 is up to \$1.37m
Milestone 4 Commonwealth acceptance of a Progress Report containing: - Progress on the renewable assets (centralised solar construction) - Number of households participating in the Sunshine Saver product (number of household subscribers by town and target group: Renters, Concession, Hardship, Low income) - Household savings to date (overall and average per household for each town) - Evidence of advertising and marketing activities including community engagement - Expense Report containing high level budget contracts/commitments, payments and administration expenses, relating to the rollout of the product and solar infrastructure.	01/05/2025		
Milestone 5 Commonwealth acceptance of a Final report containing:	1/05/2026		\$0m

- Progress on the renewable assets (centralised solar construction) - Number of households participating in the Sunshine Saver product (number of household subscribers by town and target group: Renters, Concession, Hardship, Low income) - Household savings to date (overall and average per household for each town) - Evidence of advertising and marketing activities including community engagement - Expense Report containing high level budget contracts/commitments, payments and administration expenses, relating to the rollout of the product and solar infrastructure. - Project closure report - Project evaluation report for each town.		
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The Parties have confirmed their commitment to this schedule as follows:

Signed for and on behalf of the Commonwealth of Australia



The Honourable Chris Bowen MP
Minister for Climate Change and Energy
[Day] [Month] 2023

Note: Minister signed on 19/3/24

Signed for and on behalf of the Western Australia by



The Honourable Bill Johnston MLA
Minister for Energy
5/12/2023