

Rural Town Creating Sustainable Business Model for Renewable Energy

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A small town in central Victoria is creating a blueprint for rural towns to transition to renewable energy and is calling for the support of impact investors.

Newstead, with a population of 800, has partnered with the state government and energy provider Powercor to use increasingly more affordable solar power to make the leap to 100 per cent renewable energy.

Renewable Newstead, a sub-committee of community group Newstead 2012 Inc, also wants to support other communities with a ready-made model for rural towns to adopt.

After developing a preliminary project plan, the group is now inviting philanthropists, impact investors and corporates seeking to purchase renewable energy to partner on the project.

Newstead 2012 Inc president Andrew Skeoch said it was an opportunity to help develop a commercially viable product and be part of Australia's broader transition to renewable energy.

“At the moment we don't know what practical needs we're going to have. There are so many different options for achieving what we're going to achieve,” Skeoch told Pro Bono Australia News.

“We're not only looking for a benefit to our community, but we're also looking to create a model which has scalability for other communities.

“And by working with major players like Power Core and the government, we're hoping to come up with something realistic that will work not just in our community but other communities.

“Any investor would be investing in that whole project.”

He said Renewable Newstead's partnership model set it apart from other projects.

“There've been a lot of projects to do with business models and seeing how renewable energy can be achieved,” he said.

“There are a lot of projects now moving through to implementation, but I think what makes our project unique is we are funded by the government to come up with a business plan and we are in discussions with Power Core, our regional distributor.

“And it's that communication between our distributor and government and the regulator that is really crucial to this, because we're bringing together the major players in the industry to try to work out a model that can work for communities like ours.

“That's really the essence of the project and what's exciting about what we're doing.”

Skeoch said the project would also focus on generating benefits for Newstead residents and a further 500 people in the immediate surrounding area.

“This has got to work as a business in terms of the real numbers... it's got to make business sense, without massive subsidies,” he said.

“It'll have to come back to dollars on bills in some ways, to be of real benefit.

“The return back to our community is very, very important to us, both in terms of social protection, particularly disadvantaged customers because we do have low socioeconomic people in town, and a lot of community organisations that could benefit.”

Renewable Newstead has been working on the switch to renewable energy for five years, after a town summit prioritised the need to address its future energy supply.

Skeoch said rural communities worldwide were often left feeling powerless when decisions affecting them were made in other places.

“We could see that it was the way that the world was going to go, to some degree, and we didn’t want to be in the situation where we were accepting whatever the default scenario was,” he said.

“We wanted to play an active role both in terms of progressive direction and agenda, but also to protect our community and to return as much benefit to the community as we could get out of the possibilities.”



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