



Dunedin City Council

The Energy Plan 1.0

Draft for Consultation

The Otago Chamber of Commerce would like to speak to this submission.

Submission prepared by:
The Energy Committee on behalf of Otago Chamber of Commerce Inc.
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INTRODUCTION

The Otago Chamber of Commerce (the Chamber) welcomes the opportunity to provide a submission on the draft Energy Plan 1.0.

The business community generates the wealth on which our city and its residents depend. It is for this reason that we make this submission. The Otago Chamber of Commerce is pleased to be able to present this submission on behalf of the 1010 Otago businesses that are our members.

The businesses which we represent are a broad cross-section of business demographics with regard to size, location and industry. Furthermore, these businesses are representative of the region's wealth generators as well as being owned, managed and staffed by the region's core residents. Our members employ almost 50% of the 50,393 FTE's employed in Dunedin and our estimate is that our members contribute significantly more than half of Dunedin city's \$4.84 billion GDP. As such, the Chamber's members are large stakeholders in the economic, social and environmental future of the Otago Region.

In April 2014 The Chamber established an Energy Committee comprised of a range of experts representing different sectors and specialities, with a clear purpose: "The objective of the committee is to assist the board in discharging its responsibilities with regard to contributing to, submitting on and assisting with the implementation of, the Dunedin City Council's Energy Plan".

The Otago Chamber of Commerce Energy Committee (Energy Committee) includes members of the Council's Energy Team in each meeting and has worked hard with stakeholders to develop a "Work Plan for Dunedin: Assisting the implementation of the Energy Plan" which was adopted by The Chamber as an official work plan at the start of 2015. We have initiated and held a number of successful energy events and initiatives in partnership with business and stakeholders throughout 2015. We thank Council for your open dialogue with us.

We also acknowledge the leadership of the Council, its Chief Executive and the staff that have worked towards achieving Dunedin as one of the world's great small cities. We particularly wish to acknowledge Council assistance with the implementation of actions within The Chamber's Work Plan, even while The Energy Plan 1.0 was in development.

The Chamber remains committed to championing business growth in the Otago Region and is supportive of the opportunity to explore the potential of bringing more jobs and a new industry with the associated growth and spin-off potential.

The Chamber submission is made in the positive spirit of developing a partnership with Council that supports and encourages business friendly innovation and growth for the benefit of all Dunedin residents.

We are committed to joining the Council to achieve our shared objective of attracting and encouraging the development of sustainable business opportunities in Dunedin.



The Ten Year Goals

We wholeheartedly support and are already taking action to achieve the four 10 year goals proposed in The Energy Plan 1.0:

1. Take advantage of economic opportunities in a changing energy context;
2. Save costs and enhance quality of life from energy efficiency improvements;
3. Boost the city's energy security and ability to adapt to future change, and;
4. Reduce Dunedin's climate change and environmental effects.

In addition, we would value knowing the extent of new jobs created through the plan.

The Energy Plan in context

We value the ways these goals tie into existing Council strategies and strategies in development, and are being incorporated into the 2GP. We have some ideas regarding how the goals can be realised in addition to the suggestions made in the draft Energy Plan 1.0. In particular, as this is a plan that has been driven out of the economic development strategy we believe it should contain achievable targets across all deliverables. If Dunedin is to truly become one of the world's great small cities we need to stand out from the rest. The development and implementation of an Energy Plan gives us an opportunity to become a city of energy leaders, thinking big and rising to action over rhetoric.

Energy Plan 1.0 Actions

We agree with the four actions given as examples in the Energy Plan 1.0. These actions are all uncontroversial and in process already. Rather than concentrate on these four actions, which are already part of implementing the Energy Plan 1.0, our feedback is intended to improve and tighten the overall intent of the Energy Plan.

Energy Plan 1.0 Recommendations

There are two improvements to the Energy Plan we believe will help achieve its goals while simultaneously demonstrating city leadership. These are:

- A). Clustering actions within clear work streams, as we have done in the Chamber's Work Plan,
and
- B). Developing further actions, implementation pathways and measurable goals.



The Chamber's Work Plan: Four 'Work Streams' – thinking big

The Energy Committee is actively working on the implementation of the draft goals as expressed in The Energy Plan 1.0 via four Work Streams. We have attached our Work Plan as an appendix and simply outline each Work Stream here. Our Work Streams are:

1. **Cosy Homes:** we consider Cosy Homes to be a significant Work Stream that will involve not only the Cosy Homes Trust, but also many city businesses and community stakeholders over at least the next 10 years, as mentioned in the Energy Plan. Cosy Homes is already attracting interest around New Zealand. We understand the critical need for leadership in this area and we value the seeding of the Cosy Homes Trust by the city council and other organisations.

Recommendations:

We look forward to the recruitment of a Project Manager by the Cosy Homes Trust and view the charitable leadership in Cosy Homes as very appropriate and desirable. We wish to work with the Cosy Homes Trust on a coordinated approach to achieve the Cosy Homes vision and anticipate a close working relationship to keep as much of the 'energy dollar' within the city as possible and/or desirable.

2. **Local Energy Infrastructure:** with the release of the Dunedin Energy Baseline Study it has become crystal clear that we have an incredible opportunity to advance all four Energy Plan 1.0 goals through a concentrated effort in this Work Stream. At a scoping meeting on District Heating in Dunedin hosted by the Energy Committee in June 2015, opportunities for a District Heating Scheme fueled by wood biomass were explored with stakeholders. We believe that the ground is now ripe for advanced work on a District Heating Scheme for Dunedin and that a feasibility study is the next step. The Blueskin Wind Development involves many stakeholders and is a grass-roots initiative which has attracted national interest. Again, this proposed \$5-6 million dollar development will boost the local economy, result in more efficient transmission, improve energy security and reduce emissions, all the while contributing social benefits. At the 'Southern Wind Forum' hosted by the Energy Committee in September 2015, local renewable electricity generation for "security of supply with network resilience" was identified as a significant opportunity for the city and region. Meanwhile single dwelling installations of solar and often locally manufactured micro-wind generation are increasing. According to the Dunedin Energy Baseline Study, distributed solar capacity in Dunedin increased by 280% in 2014, while distributed wind capacity increased by 60% in 2014.

Recommendations

With a little 'fast-track' work on Smart Micro-grid development, use of the targetted rate tool to boost micro-generation, red-carpet approach to Resource Consenting and other mechanisms, the development of small scale local energy infrastructure could move even faster.

Dunedin is developing considerable expertise in renewable energy based local energy infrastructure and with the right focus, this expertise could contribute to economic benefits for the city.



3. **Transforming the CBD:** The CBD is our city's 'showroom' and planning is underway for significant refurbishment. Change presents opportunity, and we consider one major opportunity is the development of a District Heating Scheme, to take advantage of any planned work in the CBD which involves digging up the streets. Night Sky City, which is an intelligent approach to the city asset replacement cycle, may also contribute to increasing visitor numbers and an increase in tourist dollars, while reducing electricity demand and emissions. We applaud those driving this action and offer our support where and as appropriate. There is considerable action right now on getting E-Charging infrastructure into the CBD and we believe this is not only necessary and imperative action, but also a potential branding opportunity that aligns well with the city vision. Furthermore, transport is one of the key areas identified in the Dunedin Energy Baseline Study, where 'leaks' of the energy dollar out of Dunedin occur and transport contributes to our high emissions per capita. Consequently, development of E-Charging infrastructure should receive priority attention and we look forward to working with city partners to fast-track this work. We have a number of plans to support and promote sustainable business leadership in the CBD and we will continue to work in this area to assist with the implementation of the Energy Plan 1.0.

Recommendations

That in the process of the CBD redevelopment, that council considers a wider view to redevelopment that includes a possible District Heating Plan solution and EV charging infrastructure.

4. **Understand and Educate:** The Dunedin Energy Baseline Study, was a project co-funded by Dunedin City Council and the Centre for Sustainability at the University of Otago, and commissioned by the Otago Chamber of Commerce. It is a great example of partners working together to deliver results and we now have a document that can guide not only prioritisation of actions within the Energy Plan 1.0, but also provide baseline data for the Environment Strategy. We applaud the Council's appointment of an Eco-Design Advisor and we are looking for ways to increase awareness of our opportunities in the area of energy through education, events and forums.

Recommendations

Implement an education, events and forum programme to support and continue the work of the Energy Baseline Study and improve understanding of its value to business and the wider community.

Further Action and Implementation Recommendations

1. Appoint an external Project Convenor as in line with the other projects within the Economic Development Strategy. The timing is right to elevate the Energy Plan 1.0 to a project with Project Convenor within Strategic Theme 2: Alliances for Innovation or within Strategic Theme 5: A compelling destination.



2. We believe the Dunedin Energy Baseline Study should be the first of a formal annual review, to enable actions to be measured and evaluated.
3. The Energy Leaders Accord is a positive step to build a closer working relationship for city partners on Energy matters. As a priority, the work should
 - i. Confirm the Energy Leaders Accord,
 - ii. Secure final partner commitments
 - iii. Complete an early action of the accord. eg. A combined Electric Vehicle purchasing and coordinated E-Charging at partner locations, implementing a city wide purchasing of LEDs for bulk pricing advantage should be planned and implemented.
4. We would like to see Local Energy Infrastructure included as a confirmed work stream, with attention focused on actions which are already underway and delivering results, while further exploring other energy sources that might make a useful contribution.

Future Proofing

Looking to the future (i.e. goal 3: “Boost the City’s energy security and ability to adapt to future change”), there are several other action areas or simple actions that need attention. They are:

1. Recruitment of a Food Resilience Officer/Project Manager and inclusion of Food as an action area in Energy Plan 1.0 within a Work Stream such as **Understand and Educate** (as in the Chamber Work Plan), and linked to Strategic Theme 1: Business Vitality in the Economic Development Strategy.
2. Exploration of opportunities for local provision of wood biomass for boilers and pellet fires and evaluation of opportunities to develop further manufacturing of low cost, high efficiency wood burning appliances. In parallel, consideration of how to accurately measure self-collection of firewood would be helpful for year 2 of the Dunedin Baseline Energy Study.
3. Set and confirm targets for City emissions reduction and evaluate actions against these targets.
4. Instigate work on an emergency plan to manage disruption to city energy supply and prepare for such a contingency.
5. Use and resource the Sustainability Audit Sub-Committee to evaluate actions and projects within the Energy Plan 1.0.



Conclusion

We would like to note the Dunedin Energy Baseline Study has highlighted transport as accounting for the highest percentage of our energy imports. We would like to see transport energy import reduction as a priority within the Energy Plan, and set a measureable targets over time to decrease these inputs.

Thank you for the opportunity to submit and engage. We look forward to working with Council via the Energy Leaders Accord and through the Energy Committee to implement the Energy Plan 1.0 and the Chamber Work Plan.

