



NSW CLIMATE CHANGE FUND

Green business program



Guide for applicants

OCTOBER 2007





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Introduction

NSW Climate Change Fund

The NSW Government has established a \$340 million Climate Change Fund to help households, business, schools and government save water and energy.

Over the next five years, the Climate Change Fund will be supporting the efforts of all sectors of the NSW community to reduce their climate change impacts and adapt to a hotter, drier future. It will provide critical financial backing to projects and programs that will reduce greenhouse gas emissions, save energy and save water.

The Climate Change Fund includes household rebates for rainwater tanks, hot water systems and insulation, funding for renewable energy development, support for water and energy savings in public buildings and programs to improve water and energy efficiency in NSW schools.

The Green Business Program provides \$30 million over five years to help business overcome the barriers to investment in water and energy savings and implement projects that will improve business resource efficiency.

The industrial and commercial sectors account for more than 60% of electricity use in NSW, 70% of the power demand during peak periods and 20% of potable water.

There are many opportunities to reduce peak demand, electricity and water use in the industrial and commercial sectors, but these are not always adopted. Market barriers such as lack of information or trained personnel and investment priorities which focus on business development rather than resource efficiency are hindering the pace of change.

The Green Business Program aims to overcome these barriers by bridging the funding gap between the cost of investment and returns on savings and stimulating the market for lasting change.

There are two streams to the program – Direct Measures and Market Transformation.

The Direct Measures component will support projects which deliver immediate water and energy savings, but which need funding support to proceed. The program goes hand in hand with the NSW Government's requirement for certain high water or energy users to prepare Water or Energy Savings Action Plans. Applications for projects identified as potentially cost-effective actions in approved plans are encouraged under this stream.

The Market Transformation Stream will support projects which will stimulate long-term change in the attitude and behaviours of business towards water and energy efficiency. These projects will demonstrate the benefits of adopting new technologies and practices in business operations and encourage others within the sector, and beyond, to follow.

Purpose of this document

This document is an invitation to prospective applicants to submit proposals for funding.

It sets out details of the Green Business Program under the NSW Climate Change Fund including the objectives, eligibility, selection criteria, assessment of projects and how to apply for funding.

Administration of the Program

The Green Business Program under the NSW Climate Change Fund is administered by the Department of Environment and Climate Change (DECC). For more information about DECC, the NSW Climate Change Fund and our other water and energy programs visit www.environment.nsw.gov.au



About the Green Business Program

The Green Business Program is part of the NSW Government's \$340 million Climate Change Fund and has been established to help businesses save water and energy in their operations.

It provides \$30 million for water and energy saving projects in NSW and is open for applications across two program streams:

- + Market Transformation – for projects which stimulate lasting structural and behavioural changes in the marketplace, resulting in the broader adoption of efficient technologies and practices
- + Direct Measures – for projects which deliver immediate water and energy savings at a site or group of sites.

Businesses required to prepare Water or Energy Savings Action Plans are strongly encouraged to submit potentially cost effective measures identified in an approved savings action plan under the Direct Measures stream.

Activities which are eligible for funding under the Green Business Program include, **but are not limited to:**

- + education and technology trial activities which have the potential to increase the adoption of efficient technologies and practices
- + projects which improve the efficiency of buildings, appliances and industrial processes
- + projects which reduce peak electricity demand
- + projects which reduce the demand for electricity or water supplied from electricity or water supply networks – eg cogeneration, fuel switching, water recycling, stormwater harvesting.

What outcomes do we expect from the Program?

The Green Business Program has funding available of \$30 million over five years, with preference to invest in projects in the early years of the program.

The Green Business Program is expected to deliver annual savings of :

- + 3.5 billion litres of water
- + 65,000 MWh of electricity savings
- + 13 MW of peak electricity demand reduction
- + 70,000 tonnes of greenhouse gas emissions.



Who can apply?

Applications are open for any project which will save water and/or energy in business operations in NSW. All applicants must be legally constituted entities.

Applicants must demonstrate capacity to deliver

All applicants must be able to demonstrate their capacity to deliver, with evidence of:

- + appropriately qualified and experienced personnel
- + sound planning, including a clear process to obtain all necessary statutory approvals and permits
- + appropriate management, including adequate project control methods and monitoring of outcomes
- + necessary resources
- + sound financial administration to complete, operate and maintain the project.

Applicants must commit to communicating their results

Applicants must commit to publicly communicating the results of their project and share the experience gained.

What will an applicant need to contribute?

The level of funding will be determined on a project-by-project basis.

Applicants are asked to indicate why the project would not proceed without funding assistance, taking into account any financial savings from implementing the project and whether they have considered other forms of finance.

Projects which include a substantial contribution from the applicant will rank favourably because the cost-effectiveness of a project is defined as the funding sought divided by energy and/or water savings.

Applicants are free to explore opportunities for funding from other sources. You are required to advise us if you:

- + have secured funding from another source for the same project
- + have current applications lodged with other funding sources
- + will receive other funding in the future for your project.

How long can your project last?

We expect your project to be fully implemented within three years of receiving the first payment of funds. Ongoing funding beyond the initial approved amount will not be provided.



General selection criteria

The Green Business Program will support projects within two streams – Market Transformation and Direct Measures.

All applications must meet the general selection criteria outlined on this page. They must also meet stream-specific selection criteria detailed in the following pages. Projects will be assessed within each stream and separately under the categories of water and energy, to allow comparison of similar projects.

Water and energy savings

Projects must save:

- + electricity and related greenhouse gas emissions and/or reduce electricity demand in NSW, and/or
- + potable water supplied from a reticulated water supply network (water utility) in NSW.

The savings thresholds for each stream are detailed in the following pages. Applicants are encouraged to aggregate measures (eg across end uses and sites) to achieve the expected savings.

Reductions in peak electricity demand are sought for the following periods:

- + summer peak demand – afternoons on weekdays in December to February
- + winter peak demand – early evenings on weekdays in June to August.

For energy savings, preference will be given to projects which will reduce peak electricity demand in network areas which are currently or potentially constrained. Electricity distribution networks identify potentially constrained areas in their annual electricity system development reviews.

For water savings, preference will be given to projects which will save potable water in drought-affected areas. The NSW Department of Primary Industries provides information on drought conditions in NSW.

Applicants must provide detailed technical data on baseline water or energy use, expected savings from the project and how savings will be measured and verified.

Where a water savings project increases energy consumption, or vice versa, applicants are expected to consider efficiency measures or alternative sources of energy or water to mitigate the increase.

Ineligible projects

Funding will not be provided for:

- + projects which it is reasonable to expect would proceed without assistance from the Fund, including projects in the Direct Measures stream with a payback period of two years or less
- + projects which are research and development only
- + projects which involve electricity users who are supplied directly from the transmission network
- + projects implementing regulatory requirements such as BASIX (Building Sustainability Index www.basix.nsw.gov.au)
- + projects which save water and/or energy in the operations of local councils and government agencies
- + projects which are eligible for funding under other programs of the Climate Change Fund (eg: Public Facilities Program, Renewable Energy Development Program, Central Coast Water Savings Fund). Applicants should contact DECC if they need guidance on this issue.



Selection criteria – market transformation stream

There are many benefits to improving business water and energy efficiency, including cost savings, increased competitiveness through productivity gains and demonstration of environmental responsibility. The Market Transformation stream aims to address and overcome perceived and real barriers to business investment in water and energy efficiency by supporting projects which:

- + raise awareness of new technologies and practices and their benefits
- + overcome cost barriers, such as split incentives
- + demonstrate cost benefits of efficiency improvements
- + increase or open new markets for efficiency products and services
- + overcome resistance to the introduction of new products and technologies in business operations.

Projects are expected to:

Savings	<ul style="list-style-type: none"> + save, over a multi year period, at least: <ul style="list-style-type: none"> - 2,500 MWh of electricity and/or peak electricity demand by 500 kW or - 100 megalitres of potable water + have a clear method for quantifying immediate savings, estimating future savings from changing behaviours and measuring other outcomes
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Key selection criteria:

Market transformation	+ potential to stimulate lasting structural and behavioural changes in the marketplace, resulting in increased adoption of efficient technologies and practices
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Other selection criteria:

Cost effectiveness	<ul style="list-style-type: none"> + level of cost-effectiveness (funding sought divided by total savings over ten years), compared to other projects in this category + the extent to which funding from the Climate Change Fund is required to allow the project to proceed
Collaboration	+ extent of partnerships and joint cooperative efforts, where necessary to deliver outcomes
Innovation	+ level of innovation in the application of technology or other aspects of the project
Other Benefits	+ level of other benefits, especially water or energy savings

Selection criteria – direct measures stream

The industrial and commercial sectors account for more than 60% of electricity use in NSW, 70% of the power demand during peak periods and 20% of potable water.

The Direct Measures Stream aims to encourage business investment in water and energy savings by bridging the gap between the upfront costs of the investment and the return from the savings in water and energy costs.

It is expected the commercial and industrial sector will implement cost-effective savings measures they identify in their operations because there is a strong business case for doing so. Funding is not available for projects which pay for themselves within two years. The Direct Measures Stream focuses on supporting projects which would not proceed without financial support. Potential projects could involve:

- + projects which improve the efficiency of buildings, appliances and industrial processes
- + projects which reduce peak electricity demand
- + projects which reduce the electricity demand for electricity or water supplied from the network, such as cogeneration, fuel switching, water recycling or stormwater harvesting.

Businesses required to prepare Water or Energy Savings Action Plans are strongly encouraged to submit potentially cost effective measures identified in an approved Savings Action Plan under the Direct Measures stream.

Projects are expected to:

Savings	<ul style="list-style-type: none">+ save, over a multi year period, at least:<ul style="list-style-type: none">- 1250 MWh of electricity and/or peak electricity demand by 250 kW or- 50 megalitres of potable water+ have a clear method for quantifying expected savings and measuring other outcomes
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Projects will be ranked on cost effectiveness:

Cost effectiveness	<ul style="list-style-type: none">+ level of cost-effectiveness (funding sought divided by total savings over ten years), compared to other projects in this category+ applicants are expected to contribute as a minimum the monies they will save on the first two years of the project
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How will projects be assessed?

The assessment process

After the closing date, the application will be initially checked to ensure it is eligible and sufficiently complete.

Ineligible or incomplete applications will not be assessed.

An independent evaluation panel consisting of members with relevant business and technical expertise will assess the applications and make recommendations to the Minister for Climate Change, Environment and Water.

For assessment purposes, applications will be separated into the two streams (Market Transformation and Direct Measures) and also into water or energy based on the primary savings type.

Applications will be ranked according to the key selection criteria – market transformation for the Market Transformation Stream and cost effectiveness for the Direct Measures Stream. For the Market Transformation stream other selection criteria outlined above (pages 7-8) will then be taken into account. All applicants must be able to demonstrate the capacity to deliver and commit to communicating their results.

You may not receive the full requested amount and your funding may be subject to specific conditions. Decisions on funding are final.

Given the large number of applications expected, individual feedback on applications may not be given.

Lodging your application

How do you apply?

Download an application form (Excel ZIP file) from the DECC website at www.environment.nsw.gov.au

Complete the application form electronically and email it to the address provided before the closing date (files over 5 MB should not be emailed but delivered to DECC as a soft copy by the closing date).

The application form can also be submitted by post, although electronic submission is preferred. If you choose to send your application by post, you must provide both a hard copy and a soft copy (CD or USB flashdrive).

Please do not convert your application to a .pdf as the application forms will be uploaded into a database.

When to apply

Applications must be received by 5pm on the closing date for each round. Two funding rounds are held each year. The closing date for each round will be posted on the DECC website. No applications will be accepted after the published closing date.

Where to lodge your application

Email (preferred)

greenbusiness@environment.nsw.gov.au

OR Post to:

Funds Manager
Water and Energy Programs
Department of Environment and Climate Change
PO Box A290
SYDNEY SOUTH NSW 1232

OR Hand deliver to

Funds Manager
Water and Energy Programs
Department of Environment and Climate Change
Level 14, 59-61 Goulburn St
SYDNEY NSW 2000

Who to contact if you need help

If you require further help with your application please phone (02) 9995 6326, or email fundsmanager@environment.nsw.gov.au



What happens next?

Letting you know

After your application is registered, we will write to you confirming its receipt. Emailed applications will receive an auto-acknowledgement on successful electronic delivery. We may also contact you for further information about your application.

Successful projects will be publicly announced and all applicants will be notified in writing of the outcome of their application.

Funding agreements

Successful applicants will be required to enter into a performance based Funding Agreement which will stipulate all funding obligations and conditions. The Funding Agreement will include:

- + a project *Budget*;
- + a *Milestone and Payments Schedule* detailing the major milestones of the project, the instalment amounts directly linked to each milestone, reporting and payment dates and evidence to support the achievement of each milestone (eg a summary of activities, relevant documentation); and
- + a *Measurement and Verification Plan* which will be used to report actual and estimated savings. Details on how you propose to measure and verify your energy/water savings will be agreed with successful applicants on a case by case basis.

The Green Business Program is focused on implementing savings measures and applicants should be aware that project start-up or establishment costs should be kept to a minimum. Any upfront costs will need to be substantiated by quotes for products and services and/or statements of expenses incurred by the project.

Funding Agreements are expected to be signed within four weeks of the successful applicant receiving an agreement for the project. If this is not achieved then the offer will be reviewed and may be withdrawn.

A sample Funding Agreement is available on the DECC website. Applicants should review the sample agreement before submitting their application because requests to amend standard clauses or conditions after the offer of funding will not be considered.

Other requirements

It is assumed that applicants have obtained any necessary approvals under national, state and local government legislative and planning requirements. Failure to do so may result in funding being revoked.

Successful applicants will also be required to:

- + seek prior approval to vary proposed outputs, milestones and budget
- + provide progress reports and comply with all conditions contained in the Funding Agreement
- + provide a Final Evaluation Report that sets out key activities and results of the project, and an independently certified financial statement of expenditure, to enable DECC to assess the project's outcomes
- + acknowledge the Program's support in all promotional material or any public statement about your project.

DECC will monitor progress of projects. As detailed above, funding will be provided in staged payments. Continuing payments will depend on satisfactory progress, including demonstrated water and/or energy savings. Fund recipients must use the monies solely for the purpose of carrying out the project. Statements of Expenditure will be part of the project's reporting requirements. Any unexpended monies must be repaid.

Future funding rounds

Two funding rounds will be held each year. Details will be posted on the DECC website.



Other information

Confidentiality

DECC will use the information you supply to assess your project for funding. Information on funded projects may be used for promotional purposes.

We will endeavour to treat sensitive personal and confidential information that you provide to us confidentially. If you require strict commercial confidentiality, you should request this in your application. However, all documents held by DECC are subject to the *Freedom of Information Act 1989*.

Intellectual property

The applicant must own or be able to lawfully use any intellectual property required to carry out the project. The applicant will be required to grant DECC (without cost) a non-exclusive irrevocable licence to use, reproduce, communicate to the public, or adapt the intellectual property in the project.

Insurances and indemnity

The applicant will be required to hold broad form public liability insurance (minimum limit of \$20,000,000) and, where applicable, professional indemnity insurance and workers' compensation insurance. The applicant will be required to indemnify DECC for all losses and/or damage arising from the project.

Tax

Goods and Services Tax (GST) applies to payments made under the Green Business Program, provided the recipient is registered for GST. However, some grants of financial assistance may be subject to income tax in the hands of certain recipients. It is therefore recommended that potential recipients seek independent legal and financial advice if uncertain of their taxation obligations.

Program changes

DECC reserves the right, at its sole and absolute discretion and at any time, to change the eligibility and selection criteria for the Green Business Program. The current eligibility and selection criteria for the Green Business Program under the Climate Change Fund is published in the Guide for Applicants on the DECC website.





Application form instructions

The following information has been prepared to help you to complete the Green Business Program Application Form, which is available for download from the DECC website as an Excel Zip file.

Detailed technical data is requested in the application form to enable us to assess the savings potential of your project, verify the budget and applicant's capacity to deliver and ensure the selection criteria is met. If you require further assistance to complete the application form, call DECC on (02) 9995 6326.

PART A: APPLICANT DETAILS

1. Name of applicant

This is the company/organisation/legal name of the applicant. The trading name of the applicant may be different to the legal name of the organisation, and is the name under which the organisation operates. Indicate if your organisation has a trading name you wish to use.

For joint projects involving a number of organisations, specify a lead organisation to be listed as the applicant. All applicants must be legally constituted entities.

2. Postal address

The postal address and other contact details will be used for all correspondence related to the application.

3. Nominated contact

This is the person who will be kept informed about the progress of the application, and from whom additional information may be sought, if required.

4. Is your organisation GST registered?

This will affect how GST is dealt with in the Project Budget (Question 23).

5. ABN (Australian Business Number)

Include your organisation's ABN.

PART B: PROJECT DETAILS

6. Project title

In 70 characters or less, provide a title for your project. This is the name of the project that will be used for promotional purposes and future correspondence if your project is successful.

7. Project summary

In 100 words or less, provide a synopsis of how your project will save water and/or energy, including where and how. The summary should provide a clear, plain English overview of the project which may be used for promotional purposes if your application is successful. There is provision later in the application form for applicants to explain the project in more detail.



8. Project location

Provide the geographical location where the water and/or energy savings from your project will be made, such as the municipality, suburb and postcode. This may be as broad as the whole of NSW or as specific as a single premises. A site map and/or street directory map can be included, where appropriate.

9. Assessment stream

Projects will be assessed separately within the two streams of Market Transformation and Direct Measures.

Select the assessment stream for your project. If your project is in the Market Transformation stream you will be required later in the application form to address how your project meets the relevant selection criteria.

10. Is your project (or part of your project) implementing a savings measure identified in a Water or Energy Savings Action Plan?

Certain high energy and water users in NSW are required to prepare Water and Energy Savings Actions Plans under legislation introduced by the NSW Government. Applications are encouraged for projects which implement potentially cost effective actions identified in these plans. Tick only one box (for either water or energy). You do not need to enclose a copy of your savings action plan(s).

11. Why have you chosen this way to save water and/or energy?

Explain why you have chosen this particular project to save water and/or energy. Identify the other options that have been canvassed in the project development and explain why this particular project is preferred.

If your project saves energy and your application is focused upon a network constrained area, identify the network area, extent and type of constraint and why funding from the network provider is not available or sufficient.

If applicable, identify whether your project addresses water supply constraints in a drought-affected area of NSW.

12. Project Plan

Provide a detailed project plan. The plan should fully describe the project's key objectives, activities, resources, deliverables and timelines. The plan will form part of the Funding Agreement should the application be successful.

13. Approvals and permits

List any permits or approvals that will be required to run the project and indicate their current status. Indicate whether they have been applied for, their expected approval time, or if they have been granted.

PART C: CAPACITY TO DELIVER

The following criteria are essential and must be addressed by all applicants. The capacity to deliver the project must be demonstrated through evidence provided in the application. All applicants must commit to publicly communicating results.

14. Skills and knowledge

Explain the skills and knowledge needed to carry out the project and how these will be provided (internally and/or externally). Describe the experience and expertise that your organisation has in delivering a project such as this.

15. Key personnel

Provide information on the capacity and relevant expertise of the people who will be involved in developing and implementing the project. Outline what job or function each will perform in this project.

16. Partnerships

List partners and other participants who will be involved in the project, their role and/or contribution (financial contributions are to be included in the Budget Summary). This may be in-kind use of equipment and time or endorsement of project. Provide evidence of their support.

17. Communicating results

Applicants must commit to communicating their results or sharing the experience gained to encourage and assist others in implementing similar projects. Describe how you will inform the wider community or industry about your project.

PART D: SELECTION CRITERIA FOR MARKET TRANSFORMATION STREAM

Projects will be assessed against the selection criteria appropriate to the stream. Selection of this stream in Question 9 will automatically direct you within the application form to the appropriate selection criteria.

The project cost effectiveness is automatically calculated within the application form from the data you supply for the water/energy savings and the project budget.

18a. Market transformation

Explain how the project will induce lasting structural and behavioural changes in the marketplace, resulting in increased adoption of efficient technologies and practices. Describe the barriers that will be addressed and how. Explain the potential for this project to be replicated within the business, sector and beyond.

18b. Collaboration

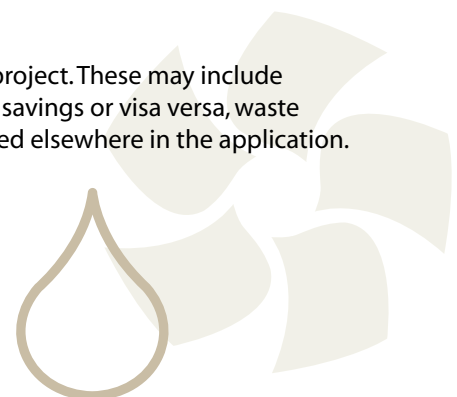
Explain how this project relates to other water and/or energy savings programs and similar initiatives. Preference will be given to projects which coordinate with and complement, rather than duplicate, other programs and policies. Does this project involve collaboration with other organisations/sectors etc?

18c. Innovation

Explain how your project is innovative. It may involve an innovative application of technology or practices within your sector or industry. Preference will be given to projects which demonstrate or apply innovative technologies or practices.

18d. Other benefits

In addition to identified water and/or energy savings describe other key benefits of your project. These may include associated water savings within an efficiency project predominantly comprised of energy savings or visa versa, waste reductions or other benefits to your industry or community which are not explicitly detailed elsewhere in the application.



PART E: QUANTIFYING SAVINGS

19a. Types of Savings Measures

Select which types of savings measures are covered within your project. Projects may save energy and/or water. The boxes you tick will automatically lead you to the sections of the application form you are required to complete (Tables A to C). Where energy or water savings has not been selected, the relevant sections of the tables will not be shown.

19b. Savings Category

The applicant identifies the savings category under which the project will be assessed based on whether the savings are primarily water or energy. This will allow projects to be compared.

20. Savings Tables

20a. Historical Baseline Use

Energy Use

In Table 20a, list your historical baseline use from 2002/03 to 2006/07.

The required information for energy is:

- + Electricity consumption in MWh
- + Summer peak electricity demand in kW
- + Winter peak electricity demand in kW
- + Other energy use in GJ



Use the drop down menus to select the other energy use type. The application allows for two other energy uses. Where applicants wish to identify more than two other energy uses, contact DECC for assistance. This information is required where projects result in a change in other fuel use, and consequently greenhouse emissions, as a result of a measure to save electricity. An example is fuel switching of heating from electricity to natural gas.

Total greenhouse gas emissions for the identified energy use, based upon the December 2006 Factors and Methods Workbook from the Australian Greenhouse Office, will be automatically calculated and shown in the application form.

Water use

The required information for water is:

- + Potable water use in kL
- + Annual trade waste charges and the Sewage Usage Discharge Factor, which can be found on your water bill, if applicable.



20b. Forecast Baseline Use

In Table 20b, list your forecast baseline use from 2007/08 to 2017/18.

20c. Forecast Savings

In Table 20c, provide your forecast energy and/or water and cost savings from 2007/08 to 2017/18.

Your project is expected to meet the savings threshold for the assessment stream. Refer to pages 7-8 for details.

Note that savings claimed should reflect your project plan. If your project will not save water and/or energy in the first year (or other years) as you set up the project, do not enter any savings in this cell of the table.

The savings table records energy, water and financial savings. Where there is an increase in energy or water use or cost, enter data as a negative value.

Energy savings

The required information for energy savings is:

- + Electricity savings in MWh
- + Summer peak electricity demand savings in kW
- + Winter peak electricity demand savings in kW
- + Other energy savings in GJ (see above)
- + Greenhouse gas credits in tCO₂-e for programs such as GGAS or MRET from which you expect to be earning future revenue¹
- + Cost savings from electricity and all other energy uses in \$
- + Predicted net income generated from greenhouse gas emission credits in \$¹
- + Other savings or income generated by the project (such as maintenance) in \$
- + Description of other savings or income



Water savings

The required information for water savings is:

- + Potable water use in kL
- + Cost savings from potable water and sewerage in \$
- + Other savings or income generated by the project (such as maintenance or chemicals) in \$
- + Description of other savings or income



21. Calculation of savings

Describe how the forecasted water and energy savings have been calculated, including assumptions, input data and methodology. This should be in sufficient detail for the Evaluation Panel to be confident in your estimate of the savings. Where relevant, include any manufacturer's specifications or other third party accreditation of performance.

22. Measurement and Verification

How will you measure and verify that the claimed savings have been achieved? This may involve assessing your metered consumption. If your application is successful, the Measurement and Verification plan will form part of the Funding Agreement.

PART F: BUDGET AND COST-EFFECTIVENESS

23a. Summary of Project Budget

This table requires a breakdown of expected capital and operating expenditure for the project from all sources of funding (Green Business Program, applicant contributions and other contributions). Include the costs and requested funding support for all aspects of your project, including both water and energy savings elements where appropriate.

Note that you may not receive the full requested amount. The Program will not support projects that have a payback period of two years or less (i.e. the financial return from the water and/or energy savings pays for the initial investment within two years). For projects with a payback period beyond two years, the funding recipient will be expected to cover the first two years of the payback period (at a minimum).

If your application is approved, the Budget Summary, cash flow requirements and budget details will form part of the Funding Agreement. Successful projects that have not secured all funding, will be subject to a conditional grant.

Do not include any GST in your budget. The Program will add GST at the time of payment.

¹ Where applicants are proposing to claim greenhouse gas emission credits under the New South Wales Greenhouse Gas Abatement Scheme (GGAS) or the Mandatory Renewable Energy Target (MRET), provide the quantity of tonnes of CO₂-e that will be claimed and the expected net income from the claim.



23b. Estimated Project Cash flow Requirements

This table requires a breakdown of the required cashflow for the years 2007/08 through to 2010/11. Ensure that the figures in Table 23b correspond with those in Table 23a.

23c. Project Cost-effectiveness

The cost-effectiveness of all projects is taken into consideration as part of the assessment process and is automatically calculated within the application form from the information supplied. Water and energy savings projects are assessed separately, to allow projects with similar objectives to be compared.

For energy savings projects, the cost-effectiveness is calculated as the funding sought divided by the avoided cost of the total project energy savings in megawatt hours, peak demand reduction in kilowatts and greenhouse gas emission reductions in tonnes of CO₂-e. The avoided cost for energy savings and peak demand is an estimate of the deferred cost of investment in generation and network capacity.

For water savings projects, the cost-effectiveness is calculated as the funding sought divided by total project savings in kL.

23d. Details of Direct Project costs

This table requires details for items given in your budget. Indicate whether the expected expenditure is an estimate or actual quote. Where in-kind contributions form a portion of the contribution from the applicant, partner or sponsor, indicate the amount, description and how the value was derived (provide separate documentation if required).

24. Why would this project not proceed without funding assistance?

Funding will not be provided for activities which it is reasonable to expect would occur without the assistance of the Green Business Program, including those with a payback period of two years or less.

Describe here why this project would not proceed without funding assistance. Where the cost savings from the project will accrue to the organisation, the following questions should be answered:

- + How does the payback for the project, with and without funding support, relate to your organisation's hurdle rates for project investment?
- + Have other forms of finance been considered for part of, or the entire, project, including where finance can be repaid from savings (eg performance contract)? If not, why not? If it has been rejected, what was the basis for this decision?

For projects where there are no financial barriers to proceeding, or where cost savings from the project will not accrue directly to the organisation, state:

- + What are the non-financial barriers to implementing the project?
- + How will the funding assistance help the project proceed?

25. Project milestones and required payment contributions

The schedule of milestones and payments will form part of the Funding Agreement should the application be successful. A milestone is a significant event signalling the commencement and/or completion of some part of the project, or a stage at which agreed parts of the project will be completed.

From information provided in the Project Plan and cash flow requirements, detail the major milestones of the project, including the starting date, projected timelines for when funding is required and, if funding is being provided by other sources, when those funds will be available.

PART G: DECLARATION

You are asked to declare that all the information contained in the application is accurate. This is done by ticking the box in this section of the form.

APPLICATION CHECKLIST

The list at the end of the application form is to help you to make sure your application is complete and accurately represents your project.