

AUSTELA

Australian Solar Thermal
Energy Association

Chairman's Report

This report does not form part of the Directors' Report and is provided for the additional information of Members.

Membership base

AUSTELA's goal was to attract 8-10 members in its first year of operation. By 30 June 2011 five members had joined and subsequent to the end of the financial year a sixth has joined.

While short of the initial aspiration, this represents a solid start and a foundation from which to build. Active recruitment discussions are underway with a number of companies involved in solar thermal power in Australia; a more concerted effort towards securing membership commitments from these organisations, and renewal of current memberships, will ensure AUSTELA has a sound financial platform from which to undertake activities in 2012.

Ultimately AUSTELA's membership will be determined by the value AUSTELA is perceived to deliver. AUSTELA has made significant progress in a short space of time, and is well positioned to grow in 2012 and beyond. However the challenge is to articulate this value and the progress made to prospective members in order to secure their commitments to membership.

2012 Membership Subscriptions

After consultation with members, the directors currently envisage that Membership Subscriptions for the 2012 year (to take effect 1 January 2012), will remain at the 2011 flat rate of \$5,000 per member.

The Directors will meet early in 2012 to formally resolve the Subscription amount, which must then be approved by members. Following member approval of the new Subscription amount, membership renewal notices will be distributed.

Achievements

Solar Thermal Industry White Paper – ASI CSP Review

AUSTELA began with a key near-term purpose of developing a Solar Thermal Industry White Paper, intended to outline the value to Australia of solar thermal power development, potential for development of an indigenous STE industry, and relevant impediments. The White Paper was intended to respond to the vacuum of leadership, and reliance on outdated (and inaccurate) data, in debate concerning solar thermal power in Australia.

Encouraged by the Australian Solar Institute, in February 2011 AUSTELA presented a research proposal to ASI in relation to the White Paper; this had the positive effect of galvanizing both ASI and other solar and clean energy bodies to action for increased focus and attention to be paid to solar thermal power, and led to ASI's call for proposals for what has become the ASI's CSP Review.

The ASI CSP Review embodies much of the scope proposed for the Solar Thermal Industry White Paper. AUSTELA is leading member of the Review Reference Group established by ASI, and has been a significant contributor to the work of the Review, being undertaken by IT Power.

The ASI CSP Review will be a timely and influence point of reference for future consideration of solar thermal power in Australia's energy system, feeding into the Energy White Paper, Transmission Frameworks Review, and critically influencing the design of solar programs of the Australian Renewable Energy Agency (ARENA) and the role of the Clean Energy Finance Corporation (CEFC).

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Complementary Research

AUSTELA has worked with the Institute for Sustainable Futures (IFS) and UNSW's Centre for Energy Environmental Markets (CEEM) to develop a research proposal addressing two specific and important issues that the ASI CSP Review will be able to cover only briefly:

potential employment benefits from an indigenous CSP industry, and

potential distribution network cost savings from solar thermal deployment.

AUSTELA has coordinated discussion between IFS, CEEM and IT Power to ensure complementarity of this work with the core ASI CSP Review, and it is intended that (time permitting) that the initial findings of the ISF/CEEM research will be incorporated as an appendix to the ASI Review.

Discussions towards co-funding (alongside AUSTELA) for the ISF/CEEM research are underway with the Australian Centre for Renewable Energy (ACRE Measures), Essential Energy and others.

AUSTELA website

AUSTELA's role requires that the organization act as a catalyst for information access and exchange, and as a portal for information and analysis of solar thermal industry developments internationally.

AUSTELA's capacity to perform this aspect of its role has been greatly enhanced by the development and launch of the AUSTELA website. Already functioning as a useful central point of reference in relation to solar thermal power in Australia, in 2012 and beyond AUSTELA will aim to leverage and build upon the capabilities provided by the website, and in doing so add to AUSTELA's centrality in energy debate in Australia.

AEMO (Australian Energy Markets Operator)

Also a key goal in AUSTELA's inaugural year was to raise with transmission and distribution planning bodies the need for a thorough review of cost assumptions, and reconsideration of the role of solar thermal power, in the development of the national transmission and distribution system.

Importantly, AUSTELA is now a member of the Scenarios Reference Group formed by AEMO in relation to the 2011 and future National Transmission Network Development Plan (NTNDP). This representation has provided the opportunity for AUSTELA to directly engage with AEMO to discuss the potential role and value of solar thermal power in the NEM, and has contributed to the momentum for AEMO to undertake a full review of cost assumptions used in transmission system planning.

Importantly, this involvement has also contributed to AEMO's consideration of the potential for solar thermal power to provide load-following generation capacity that can help to balance more intermittent wind and photovoltaic generation in the NEM.

STELAWorld

AUSTELA's role as a conduit to the most contemporary and relevant experience and data internationally concerning solar thermal power requires that strong relationships and collaboration frameworks be developed and maintained with major international solar thermal industry bodies such as the European Solar Thermal Electricity Association (ESTELA) and the South African Solar Thermal Electricity Association (SASTELA).

AUSTELA, ESTELA and SASTELA formed the World Solar Thermal Energy Association (STELAWorld) in October 2011. STELAWorld has been formed to work with international

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agencies such as the IEA, IRENA, the UNFCCC, UN Development Program, the World Bank, the International Monetary Fund, and the European, African and Asian Development Banks to assist policy-makers and energy investors to access information on solar thermal electricity development, and the value and rapidly reducing cost of solar thermal electricity production.

Membership of STELAWorld is expected to grow to include US, Indian, MENA region and Asian bodies involved in solar thermal power. AUSTELA's position as a foundation member strengthens connections with the major European and US bodies and will over time provide improved depth and range of contact for Australian solar thermal industry participants with activities in emerging international markets.

Other Achievements

Other notable achievements in the period to 30 June 2011 included:

- Engagement with the Prime Minister's, Energy Minister's and Climate Change Minister's offices to announce the formation and outline the purposes of AUSTELA
- Contribution to the (largely) successful efforts of a variety of bodies to preserve \$100m Solar Flagships funding proposed to be re-allocated to Queensland Flood and Cyclone recovery costs
- Engagement with the Energy White Paper team within the Department of Resources, Energy and Tourism (DRET)
- Development of relationships with DRET and ACRE officers responsible for solar energy programs
- Submission to the New South Wales Renewable Energy Action plan
- Attendance at SolarPACES 2011, adding to Australian presence in global solar thermal industry development and debate
- Submission to Commonwealth Treasury on the Clean Energy Finance Corporation (due 15 December 2011)
- Engagement with the Clean Energy Council, Australian Solar Energy Society and other NGOs in relation to solar thermal power.

Close

AUSTELA has begun well and has established a firm platform to influence the investment environment for solar thermal power development in Australia, and for development of an indigenous solar thermal power industry.

AUSTELA's contribution to commissioning and development of the ASI's CSP Review has perhaps been the most important achievement of AUSTELA's first year, and significant effort will now be required to ensure that the ASI's Review is completed and released on time, and is used effectively in energy policy development.


In 2012, emphasis must increase on the task of recruiting further members to AUSTELA, both to broaden AUSTELA's revenue base (and thereby enhance AUSTELA's ability to discharge its core functions), and to strengthen and deepen AUSTELA's mandate to engage with energy sector stakeholders as the representative of the solar thermal industry. This will require the coordinated support of existing members.

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Particular thanks go to Phil Hayes St Clair and Alan Atchison who have served as Initial Directors from formation of AUSTELA and subsequently as Directors, and especially to Phil for his work and leadership in the development of AUSTELA's website. As discussed above, this is a critical development for AUSTELA and provides a powerful platform for the expansion of AUSTELA's role and impact going forward.

Best regards and best wishes for the Christmas period,



Andrew Want
Chair
AUSTELA