SMART LED STREETLIGHT

REPLACEMENT SUPER TRIAL PROPOSAL



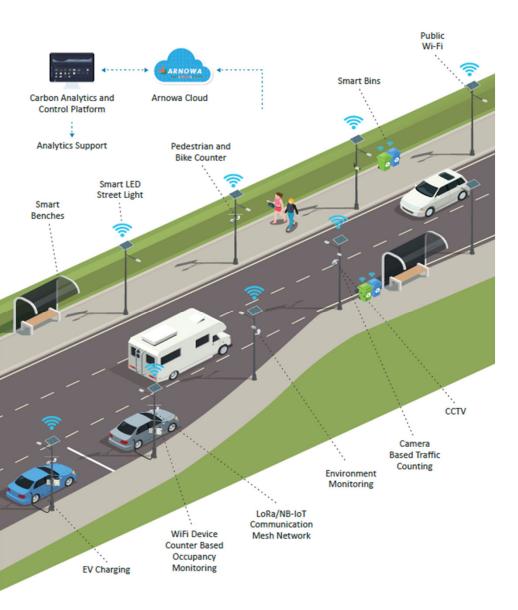












Motivation for the project

- Streetlighting represents major energy costs and GHG emissions for LG
- Currently includes various luminaire types and quality of lighting, including mercury vapour
- Opportunity for significant savings to replace with LED
- Smart LED offers additional functionality and community benefits

Image Source: ARNOWA Smart Street Infrastructure

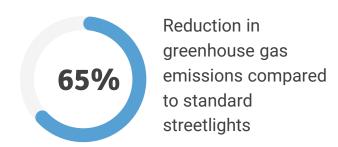
Opportunity

Smart LED has the potential to achieve:

- · Superior lighting quality that meets standards
- Smart capability improved management, performance and metering

Recent developments

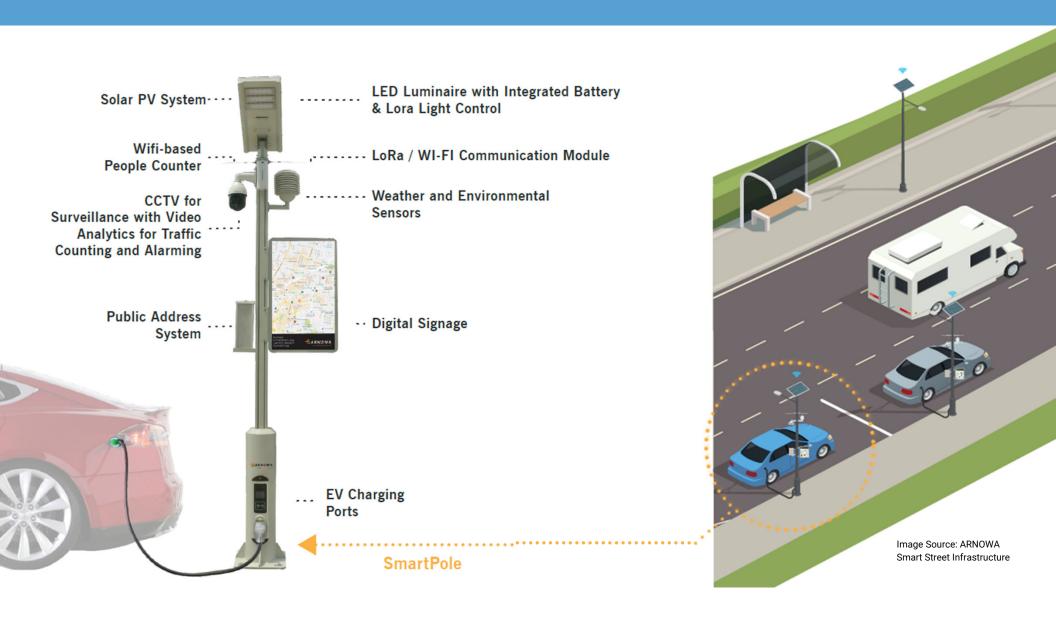
- LEDs being included in SUPP projects
- LED Trial in Cockburn (170 lights) and Smart LED Trial in Melville (100 lights)
- Access to WP ICT architecture and data management system



AND Major energy savings of up to

40-50%

for each participating Local Government.



Consortia Formation

Includes like minded Councils

47,000 LIGHTS

in total (17% of street lights in the SWIS)

- Prepared to meet LED replacement capital costs
- · Bulk replacement attractive value proposition due to scale
- Aligned to Smart City aspirations and community benefits
- Super Trial concept

Business Case

Jointly funded arrangement

- · Ironbark commissioned to prepare Business case
- Technical and implementation information drawn from Eastern States
- Compelling rationale put forward to Western Power
- \$25M-\$29M capital cost by LGs
- · Currently being assessed with pricing proposal

100,000 TO

125,000

in tCO2-e savings annually which includes investment in smart technology

Political Engagement

- GRA Partners commissioned to provide public relations support
- Engaging with Minister and Advisors, Western Power Executive and local MPs
- Leverages detailed understanding of government policy and political landscape
- Awaiting response from the Minister on proposal



City of Melville

8,950 STREETLIGHTS

in total at a cost of \$6.34M

- Strong partnering role with City of Cockburn and engagement with Western Power
- Shared local MPs with neighbouring LGs (Cockburn and Canning)
- Supportive Council Climate Emergency Declaration and Climate Action Plan
- 2 year rollout period proposed
- Funded through reserves, with 8 year payback period
- GHG emissions savings of 1,500 CO2-e
- Energy savings between \$850K (Year 4) to \$1.26M (Year 20)
- Capital cost, energy savings and reduced payback possible through neotitiatioons on RAB and discounts through bulk purchase





Key Barriers

- Previous resistance due to costs for Western Power and State Government
- Challenges WP business model Asset management, RAB, Contributions Tax
- Small part of WP business (only 1%)
- Concerned about precedent set with LGs through Super Trial
- Being considered as Partner rather than Customer by WP

Next Steps

- Gain support from local MPs
- Assess feedback from Minister
- · Assess feedback from WP on business case and pricing proposal
- Negotiate potential cost savings e.g. bulk purchase on Smart luminaires, no or negotiated RAB & Contribution tax
- · Confirmation on establishment of ICT architecture by WP
- Agreement from WP to proceed