

Green energy for White Gum Valley development 'an Australian first', to benefit residents and investors

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PHOTO Landcorp's White Gum Valley project, which will feature renewable energy technology and where residents will pay their energy bills to a strata body rather than the energy retailer.

SUPPLIED: LANDCORP

A new residential complex south of Perth will feature solar panels and battery storage technology, providing financial benefits for tenants and investors.

Landcorp's White Gum Valley project will include apartments, townhouses, maisonettes and single home sites, housing more than 150 people on the former Kim Beazley school site.

The WA Government said the use of renewable energy technology would cut energy and water bills by about \$1,200 a year for tenants in the complex, which will feature a demonstration housing project managed as a strata development.

Solar PV systems have not been widely used on strata developments, because the cost of the technology traditionally falls on the shoulders of the investors while giving the tenant the benefit of cheap power.

But Curtin University, Landcorp and the CSIRO have partnered to develop a system which benefits both investors and tenants in White Gum Valley.

Curtin University sustainability specialist Jemma Green said under the system, residents would pay their energy bills to the strata body rather than the energy retailer.

"This is an Australian first and I'm only aware of one other project in Italy which has actually done this," she said.

"The solar panels and the batteries sit on the strata and are owner-managed by the strata manager.

"It provides [investors] with an additional revenue stream, so if an investor buys an apartment and rents it out, the tenant will pay their electricity bill to the strata, which will offset the strata costs and provide a justification for the capital investment."

Overcoming barriers to solar technology

Ms Green said the new business model overcomes several barriers which have prevented solar technology from taking off on strata developments.

"Barriers include getting approvals from Western Power, designing the system so that it is compliant with strata laws is really important, and also designing a system which is going to charge no more than what [residents] would pay from Synergy," she said.

Ms Green said the project would be the focus of a four-year study at Curtin University into low carbon living, and is confident it will succeed.

"People are willing to buy apartments that perhaps cost a bit more, but the pay-off is they don't pay the electricity bill," Ms Green said.

Landcorp's chief executive Frank Marra agreed.

"Investors will see that customers and their buyers will really want to be in an estate where their ongoing living costs are going to be lower, so people are going to vote with their feet - they are going to want to buy into these estates," he said.

'Winning the public over' on infill development

The development is exemplary of what the WA Government wants to promote for infill housing.

Minister for Lands Terry Redman said he thought the Government was starting to win the somewhat emotional debate about infill developments.

"What has been designed here is something that should be affordable to the Gen Y marketplace, but of course meets the sustainability standards and the infill densities we want to see in broader developments in Perth," he said.

"We are certainly dealing with a history of how we think development should happen - trying to shift that is difficult.

"The culture is still for the Greenfield developments in the typical housing-type plots, [and] what we need to have is demonstration sites so people can actually see what it looks like to be a part of these.

"It is unacceptable in Western Australia that we can progress towards 3.5 million people by 2050 and not have a level of high-density infill development.

"We do need to do this right, we need to win the public over and this is one way of doing it."

Mr Marra said he believed the scheme would become the future norm, as other developers saw the commercial benefits.

"As Perth grows there is going to be a greater share of housing that needs to be provided through infill development," Mr Marra said.

Two of the White Gum Valley sites for apartment development are scheduled for release in August.