



Ordinary Meeting

MM01

BUSINESS PAPER

Tuesday, 9 December 2025 at 7:00 PM

Griffith City Council Chambers
Phone: 1300 176 077

Web: www.griffith.nsw.gov.au Email: admin@griffith.nsw.gov.au



**ORDINARY MEETING OF GRIFFITH CITY COUNCIL
TO BE HELD IN GRIFFITH CITY COUNCIL CHAMBERS ON
TUESDAY, 9 DECEMBER 2025 AT 7:00 PM**

MEETING NOTICE

Notice is hereby given that an Ordinary Meeting of Council will be held in the Griffith City Council Chambers on **Tuesday, 9 December 2025**.

In accordance with Griffith City Council's Code of Meeting Practice and as permitted under the Local Government Act 1993, this meeting is being live streamed and recorded by Council staff for minute taking and webcasting purposes.

No other webcasting or recording by a video camera, still camera or any other electronic device capable of webcasting or recording is permitted without the prior approval of Council.

Those that are participating in this meeting are advised that your image and what you say will be broadcast live to the public and will also be recorded. You should avoid making statements that might defame or offend and note that Council will not be responsible for your actions and comments.

Members of the public may address Council in relation to the items listed in this Agenda by contacting Council on 1300 176 077 by 12.00 pm on the day of the meeting.

Mayoral Minutes

MM01	p3	Southern Sydney Regional Organisation of Councils Program for Energy & Environmental Risk Solutions (PEERS) 3 Extension Power Purchasing Agreement (PPA)
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Scott Grant

GENERAL MANAGER

CLAUSE **MM01**

TITLE **Southern Sydney Regional Organisation of Councils Program for Energy & Environmental Risk Solutions (PEERS) 3 Extension Power Purchasing Agreement (PPA)**

FROM **Bernie Maxwell, Procurement Officer**

TRIM REF **25/144390**

SUMMARY

Griffith City Council currently buys electricity for small sites through a State Government contract with Shell Energy, which has seen significant price increases. Council can join SSROC's **PEERS 3 Extension** to lock in fixed rates for four years (2027–2030) and benefit from group purchasing power.

Benefits:

- Potential savings of **20–27%** on electricity costs.
- Price stability until 2030.
- Supports renewable energy targets under the *NSW Climate Change (Net Zero Future) Act 2023*.

Requirements:

- Pay a **\$1,500 participation fee** (non-refundable).
- Commit to **20% renewable energy** (minimum legislated level).
- Delegate authority to the **General Manager** to accept offers within 48 hours.

RECOMMENDATION

It recommended that Griffith City Council:

- (a) Participate in the Southern Sydney Regional Organisation of Councils (SSROC) PEERS 3 Extension negotiation process for the purchase of power for Council's small sites electricity supply for a period of four years, from 1 January 2027 to 31 December 2030.**
- (b) Authorise the General Manager to enter to contract on Griffith City Council's behalf with the successful supplier as recommended by the SSROC PEERS 3 Extension Steering Committee, in accordance with Section 377(1) of the *Local Government Act 1993*.**

Subject to:

- (1) Council committing to include its Large Sites and Streetlighting in future SSROC PEERS tendering processes;**
- (2) Council nominating the minimum 20% renewables preference, to align with the existing Large Sites nominated percentage.**

(3) Pay the upfront non-refundable participation fee of \$1,500 (ex GST) to SSROC for PPA consultancy and management fees.

REPORT

In December 2023, Griffith City Council signed a contract with Iberdrola Australia to supply electricity for its 13 large sites and streetlights. This deal is expected to save about \$120,000 in the first year compared to previous rates. That contract runs until 31 December 2030.

Now, Council has the chance to join a similar Power Purchase Agreement (PPA) for its small sites through the Southern Sydney Regional Organisation of Councils (SSROC).

Currently, electricity for small sites comes from a State Government contract with Shell Energy. These 130 sites use about 1.11 million kWh per year, costing \$360,000 (excluding GST). The State contract ends in 2032, but prices are renegotiated yearly. Rates have almost doubled since 2022, and Shell expects another increase in 2027. Councils can leave this contract early without penalty.

SSROC runs a program called PEERS (Program for Energy & Environmental Risk Solutions). The current agreement (PEERS 3) with Zen Energy covers 25 Councils and ends in December 2026. SSROC plans to extend it for four years (2027–2030) and is inviting more Councils to join. Past participants saved 22–27% on electricity costs.

The extension aims to offer the same fixed rates for large and small sites, which means better prices for smaller sites. More Councils joining will increase buying power and improve deals.

Why a PPA matters

The NSW Climate Change Act sets targets:

- 50% emissions reduction by 2030
- 70% by 2035
- Net zero by 2050

Buying renewable energy through a PPA helps Councils meet these goals while managing costs. PPAs provide:

- Shared resources and consultant fees
- Better prices through group buying
- Protection from market price swings
- Long-term budget certainty

SSROC uses expert advisors to ensure compliance with laws and fairness in the process.

Griffith can only add its small sites now because large sites are already contracted until 2030. SSROC will allow Council to add its small sites if Griffith commits to include large sites in the next PEERS stage starting in 2031.

What Council Needs to Do if Joining PEERS 3 Extension

If Council decides to take part in the SSROC electricity deal, these steps and documents will be required:

1. Sign an Agreement and Pay Fee

- Sign a Memorandum of Understanding (MOU) with SSROC.
- Pay a one-off participation fee of **\$1,500 (ex GST)**.
- SSROC also charges a **1% commission** on energy costs for ongoing contract management (paid by the retailer).

2. Renewable Energy Preference

Choose the percentage of renewable energy.

- Most Councils choose 100%, but Griffith previously selected 20% to keep costs down.
- It's recommended to stick with 20% for small sites to match large sites.

3. General Manager Authority

Council must delegate authority to the General Manager to sign the contract within 48 hours of SSROC's final offer.

This is because electricity prices change daily, and quick decisions avoid extra costs for the entire consortium.

This process complies with the *Local Government Act 1993* and has worked well for other Councils.

How offers will be accepted

Buying electricity in bulk is complex because prices change daily and sometimes even within the same day. When retailers make an offer, Councils often have only 1–2 days to lock in the price, especially during volatile market conditions.

Waiting longer than 48 hours is not practical. Coordinating approval across multiple Councils is difficult, and if we ask for more time, retailers may add a risk premium, which increases costs.

To avoid this, Councils have adopted a proven approach that complies with *NSW Local Government Act 1993*, the Local Government (General) Regulation 2021, and procurement policies and procedures.

The solution is simple: give the General Manager delegated authority to accept short-term electricity pricing offers on Council's behalf. This authority is granted by a formal Council resolution.

This process ensures Council can act quickly, secure the best available price, and avoid unnecessary extra costs.

Indicative Pricing

Because the PEERS 3 Extension has only recently been announced and Council has not yet committed, there is no confirmed pricing available at this stage.

However, based on advice from Sourced Energy, Councils participating in the current PEERS 3 agreement achieved savings of 22% to 27% on electricity costs last financial year. If similar savings apply, Griffith City Council could expect the following for its small sites, assuming usage remains steady:

- **Energy consumption:** \$84,675
- **Environmental charges:** \$16,315
- **Total charges:** \$100,990
- **Estimated savings (20%):** \$20,198 per year

These figures are indicative only and will depend on final negotiated rates.

Risks and need for delegation

Large-scale electricity procurement always carries risks, including:

- market volatility,
- supplier performance,
- delivery issues, and
- policy changes.

SSROC's structured approach and strong compliance measures provide confidence that the proposed Power Purchase Agreement (PPA) is sound and sustainable.

Because electricity prices can change quickly, there is often no time to prepare and present a full report to Council before accepting an offer. For this reason, it is essential to delegate authority to the General Manager to approve and sign the contract promptly. This ensures Council can secure competitive pricing without delays that could increase costs.

Conclusion

Joining the SSROC PEERS 3 Extension offers Council an opportunity to secure competitive electricity pricing, reduce costs, and support renewable energy targets.

This approach aligns with Council's sustainability objectives and the NSW *Climate Change (Net Zero Future) Act 2023*, which sets clear targets for emissions reduction: 50% by 2030, 70% by 2035, and net zero by 2050.

By participating in this program, Council demonstrates leadership in meeting legislative requirements while managing financial risk and ensuring long-term price stability.

OPTIONS

OPTION 1

Council confirms its intention to accept the invitation from SSROC to participate in the Power Purchase Agreement and delegate to the General Manager the authority to proceed.

OPTION 2

Council takes no action on the invitation and looks to another option for the purchase of power, which may include the LGNSW Procurement renewal of the current agreement.

OPTION 3

Council to continue with the current State Government contract with Shell Energy.

POLICY IMPLICATIONS

Not Applicable

FINANCIAL IMPLICATIONS AND RISK

The recent Special Rate Variation process included an improvement plan aimed at reducing operating costs. Joining a group electricity purchasing agreement supports this goal by lowering energy expenses across the organisation.

To participate in the SSROC PEERS 3 Extension, Council must pay a one-off fee of \$1,500 (excluding GST). This fee is non-refundable if Council later withdraws from the process.

If Council chooses not to participate, it will remain on the NSW State Government's small market contract with Shell Energy until 2032. This contract has already seen significant price increases, and further rises are likely. Staying with Shell could result in higher long-term costs and less price certainty compared to locking in fixed rates through SSROC's proposal.

COMPLIANCE / LEGAL / STATUTORY IMPLICATIONS AND RISK

Section 55 of the Local Government Act 1993 and Council's procurement policies allow for contracts of this nature. The NSW Office of Local Government Circular 16-35 also supports extending delegations to General Managers for timely decision-making.

The SSROC proposal is being managed under strict probity standards by specialist consultants, ensuring compliance and protecting Council's interests.

Compliance with Climate Legislation:

Participation also supports Council's obligations under *the NSW Climate Change (Net Zero Future) Act 2023*, which sets legally binding targets for emissions reduction—50% by 2030, 70% by 2035, and net zero by 2050.

Risk of Non-Participation:

If Council does not join the SSROC process, it may miss the opportunity to secure competitive pricing under a legally compliant, well-governed framework. Remaining with the current State contract exposes Council to ongoing price volatility and less favourable terms.

ENVIRONMENTAL IMPLICATIONS AND RISK

Minor Low Risk: Minimal environmental impact handled internally.

REPUTATION / COMMUNITY IMPLICATIONS AND RISK

Minor Low Risk: Limited adverse public/staff reaction and/or negative publicity.

SERVICE DELIVERY IMPLICATIONS AND RISK

Minor Low Risk: Nil impact to service delivery.

WHS / HR IMPLICATIONS AND RISK

Minor Low Risk: No injuries/Nil impact to service delivery.

LINK TO STRATEGIC PLAN

This report has no relevance to the Council's Strategic Plan.

CONSULTATION

SSROC presentation, 1 December 2025.

RAMJO energy subcommittee member presentation, 4 December 2025.

ATTACHMENTS

Nil