

**EnergyAustralia**<sup>™</sup>

**Demand Management  
Options for Cronulla and  
Caringbah Areas**

**July 2009**

**Responses request by  
18 September 2009**

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for  
Cronulla and Caringbah Areas**  
July 2008

**Contents**

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1	INTRODUCTION .....	1
2	CURRENT SUPPLY ARRANGEMENTS .....	2
3	SUPPLY CAPACITY AND DEMAND FORECAST .....	3
4	NETWORK INFRASTRUCTURE SOLUTION.....	4
5	REQUIRED DEMAND MANAGEMENT .....	4
6	PUBLIC CONSULTATION AND SUBMISSIONS.....	4
	6.1 Consultation .....	4
	6.2 Form of Submissions .....	4

# 1 Introduction

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EnergyAustralia invites submissions from interested companies, organisations and individuals regarding opportunities and ideas to reduce the peak electrical demand in the [Cronulla and Caringbah](#) supply area.

Growth in electricity demand in this area means that peak demands are forecast to approach the capacity of the local electricity supply network. EnergyAustralia is investigating initiatives to reduce this peak demand ("demand management" or DM) as part of a solution that will maintain reliability and levels of service more cost effectively than installing additional network infrastructure alone.

EnergyAustralia has completed a DM Screening Test and is of the opinion that cost effective DM options might be found, if explored further. On this basis it is conducting an investigation to identify and evaluate the available options.

In the context of this investigation, "Demand Management" includes measures to alter the magnitude or timing of customers' peak demand such as:

- Installation of energy efficient equipment in energy users' premises that permanently reduces peak demand
- "Fuel switching" from electricity to another fuel, such as gas
- Installation of equipment such as energy and thermal storage
- Agreements with energy users to interrupt or reduce certain loads when called upon to do so
- Agreements with energy users to run standby generators when called upon to do so
- Installation of generation or cogeneration equipment

EnergyAustralia will assess options identified through this process and then consider them alongside traditional network supply expansion options to determine the most cost effective combined strategy for implementation.

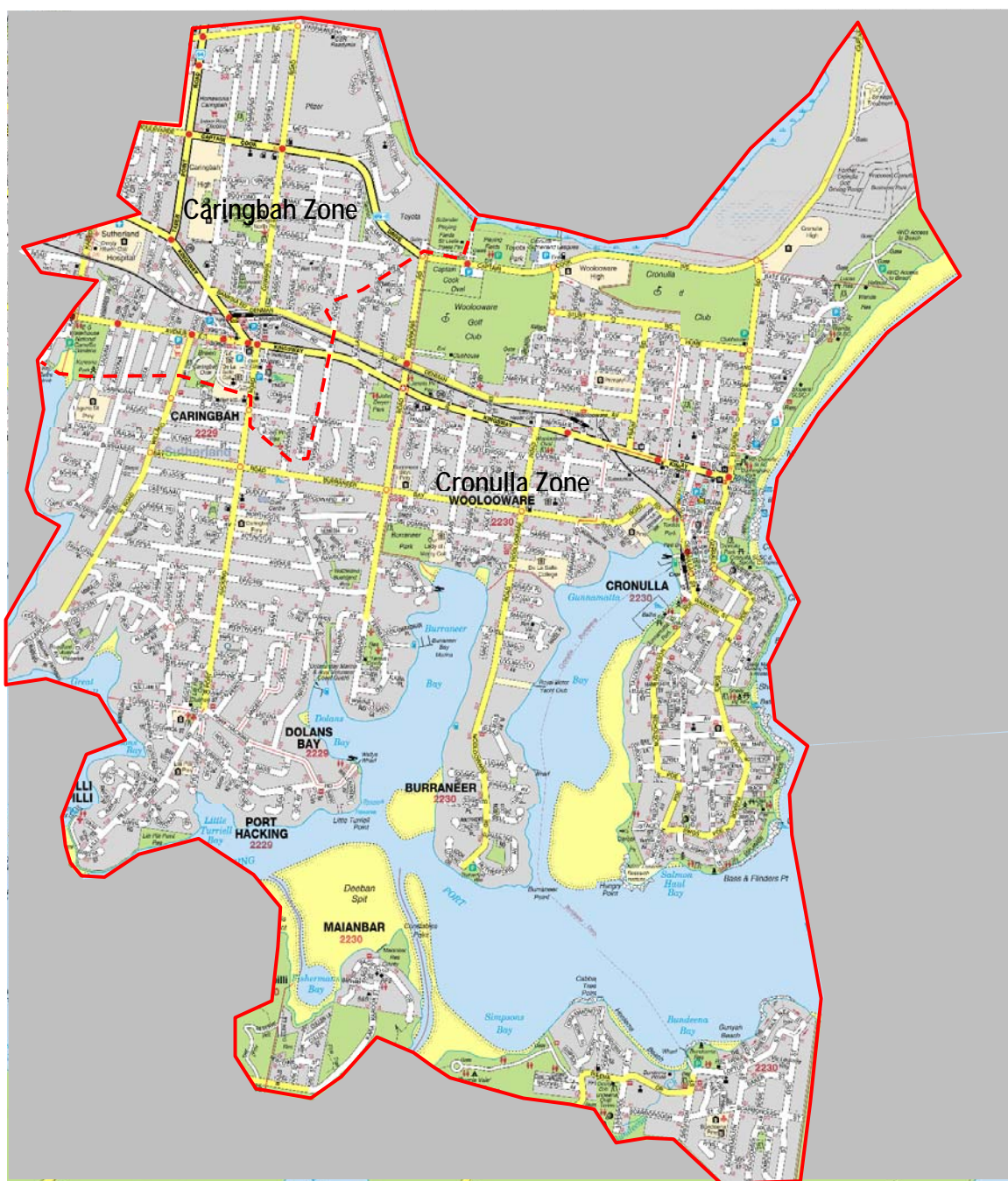
This document provides information about the nature of the demand profile in the area and the reasons we are seeking solutions.

## 2 Current Supply Arrangements

The targeted area has two zone substations – Cronulla and Caringbah. Cronulla zone substation is supplied via the Sydney South and Kurnell sub transmission substation. Caringbah zone substation is supplied from Kurnell sub transmission substation. Both zone substations are interconnected at 11kV feeder level.

The two zone substations supply a large part of the Sutherland areas covering suburbs of Cronulla, Woolooware, Burranner, Dolans Bay, Port Hacking, Lilli Pilli, Maianbar, Yenabilli, Bundeena, Caringbah and Yowie Bay. The supply area is shown in Map 1.

**Map 1: Cronulla and Caringbah supply area**



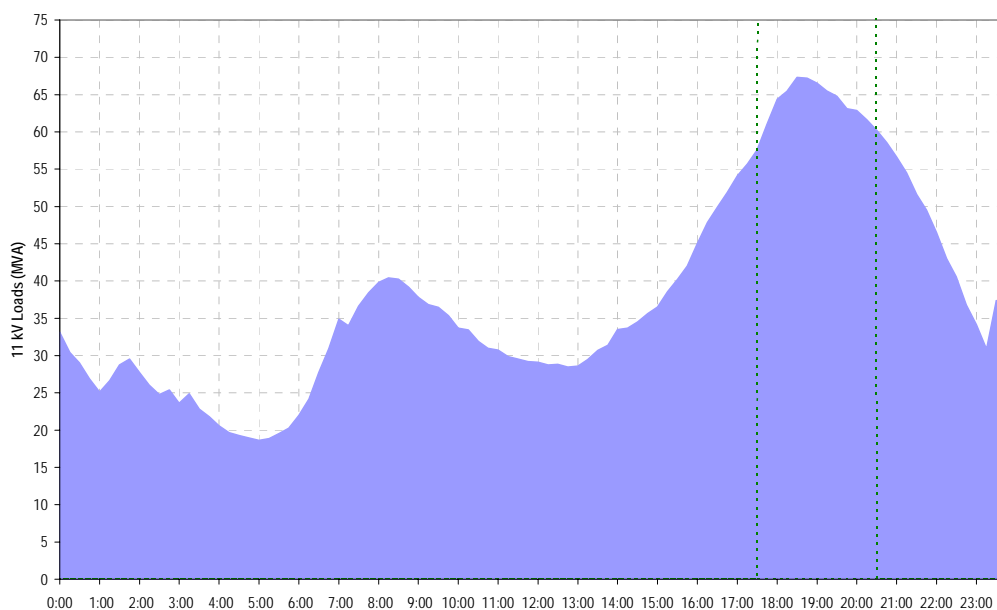
Map reproduced with permission of UBD. Copyright Universal Press Pty Ltd CS

### 3 Typical Load Profiles

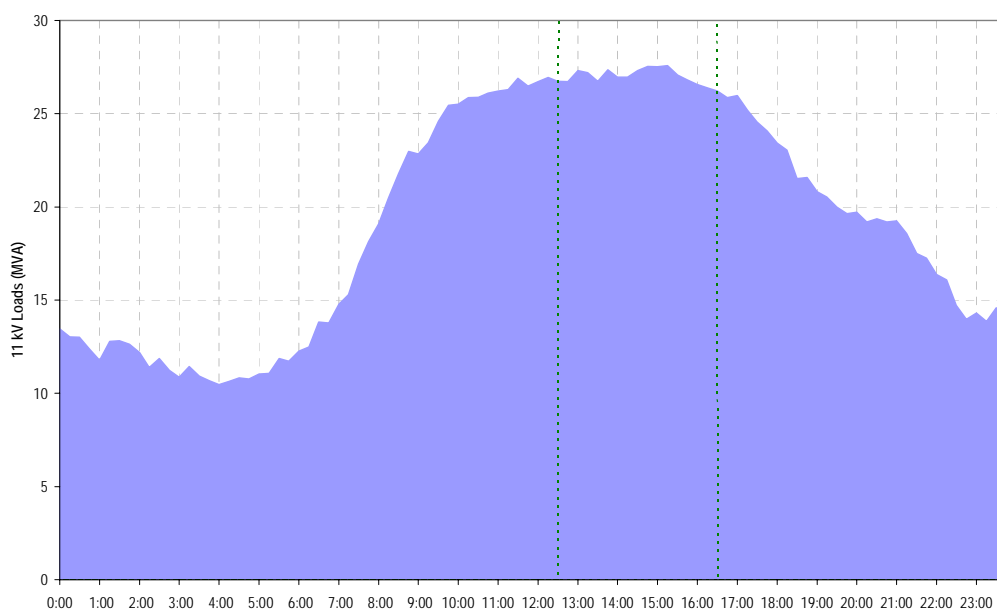
The targeted area supplied by both substations has residential, retail, SME and commercial customers. Winter is the critical season in Cronulla zone. Summer is the critical season in Caringbah zone.

Charts 1 & 2 show the electrical load profiles on a typical peak day in winter 2008 and summer 2008/09. The winter peak demand typically occurs between 5:30 and 8:30pm and summer between 12:30 and 4:30 pm.

**CHART 1 Winter peak day demand load profiles at Cronulla zone substation**



**CHART 2 Summer peak day demand load profiles at Caringbah zone substation**



## 4 Network Infrastructure Solution

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The least cost supply side solution is to install a third 50MVA 132/11kV transformer and associated switchgear at Cronulla zone substation. This will allow load to be transferred from Caringbah to Cronulla zone. The estimated cost of this project is \$12.1m.

## 5 Required Demand Management

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If winter peak demand in the Cronulla area and summer peak demand in the Caringbah area could be reduced, it may be possible to defer the need for the Cronulla upgrade project. EA is seeking a winter peak demand reduction of up to 3.1MVA in Cronulla and a summer peak demand reduction of up to 4MVA in Caringbah.

## 6 Public Consultation and Submissions

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### 6.1 CONSULTATION

The intended timetable for this public consultation and investigation is:

Options Paper published:	17 July 2009
Closing date for submissions:	18 September 2009
Completion of Investigation Report:	September 2009

EnergyAustralia will examine a range of options including those identified in submissions and those resulting from its own research and investigations. Each identified option will be evaluated in terms of the amount of demand reduction it could deliver and the net cost to EnergyAustralia, and ranked by cost-effectiveness. EnergyAustralia will compare this list to the economic value of deferring the most favourable supply expansion option and determine whether enough cost effective options exist to make DM a feasible option. The results of this analysis will be published.

If DM is determined to be feasible, EnergyAustralia will proceed to develop the most favourable options, together with the relevant proponents or customers where applicable, so that a final decision to proceed can be made.

Respondents to this consultation paper will be kept informed about the progress of the project at key stages and may be contacted for further information if their ideas/suggestions are going to be taken to the next step of project development.

### 6.2 FORM OF SUBMISSIONS

EnergyAustralia is seeking written submissions in order to identify the broadest possible range of "demand management" opportunities to reduce peak electrical loads or increase supply from alternative sources. It will investigate whether proposed demand management options are practical, deliverable and cost effective.

Submissions should be in writing and fall into one of the following broad categories:

- Details of specific demand management opportunities that EnergyAustralia can investigate (for example, a customer may have a large electrical load that could be interrupted or that could be reduced through energy efficiency or fuel substitution).
- Proposals for demand management from parties able to implement demand reduction measures themselves. The proposal should include details of the magnitude of the demand reduction that can be achieved, how these demand reductions will be achieved, and the estimated cost to EnergyAustralia. These proposals are non-binding and will be considered along with demand management opportunities identified and investigated by EnergyAustralia.
- General views and opinions, including probable costs, as to what are the best options for EnergyAustralia to cost effectively meet the future electricity requirements of the area.

Submissions should include as much of the following information as is available:

- The name, address and contact details of the company or person making the submission.
- The name, address and contact details of the company or person responsible for the load or alternate supply (if different to above).
- The size, type and location of load(s) that can be reduced, shifted, substituted or interrupted.
- The size, type and location of generators that can be utilised if required.
- The type of action or technology proposed to reduce peak demand / provide alternate supplies.
- The time required to implement these measures and any period of notice required before loads can be interrupted or generators started.
- The approximate total cost to implement these measures and any cost savings that would accrue to the owners / operators of the equipment.
- The approximate cost of any contribution / assistance that EnergyAustralia may be required to make in order to make use of this measure for demand management.
- Other additional information to assist EnergyAustralia in investigating and evaluating demand management options.

As EnergyAustralia may be required to publish information about submissions, any commercially sensitive material and other material that the respondent making the submission does not want to be made public should be clearly identified.

Submissions should be addressed to:

Bing Liu – Demand Management Unit  
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GPO Box 4009  
Sydney 2001

Or email to [demandmanagement@energy.com.au](mailto:demandmanagement@energy.com.au)