Keeping you up to date on

Demand Management activities





Ausgrid Demand Management Enewsletter - October 2017

Keeping you switched on

Welcome to our latest edition of our newsletter where we will share updates with you the latest in demand management news.

In this edition is an update on Ausgrid's latest DM projects including:

- Customer at the Centre Research project - results from the most recent stage
- · Launch of a solar commercial research project in September

The latest industry news related to demand management:

- AER draft decision on the Demand Management Incentive Scheme (DMIS) and Demand Management Innovation Allowance (DMIA)mechanism
- AEMC Rule Determination for replacement expenditure planning arrangements
- AEMC Draft Rule Change on Contestability of Energy Services
- AEMC Distribution Market Model Draft Report

Other noteworthy industry news:

- the 2017 version of the Network Opportunity Maps will be available soon
- Smart Green Apartments Program, new program for 2017/18

We would love to hear your views about any of the topics from this newsletter so feel free to email us at demandmanagement@ausgrid.com.au.

Happy reading,

Craig Tupper Manager, Demand Management & Forecasting

In this edition:

- Customer at the Centre Research Project
- Solar Commercial Research Project
- DMIS /DMIA mechanism
- AEMC Rule Determination for replacement expenditure planning arrangements
- AEMC Draft Rule Change on Contestability of Energy Services
- AEMC Distribution Market Model Draft Report

Customer at the Centre Research – Phase 2

The second stage of Ausgrid's Customer at the Centre research was launched early this quarter to better understand our customers' needs and expectations on long term planning, attitudes to tariff reforms and demand management programs. This was run as 2 deliberative forum groups involving a cross-section of 80 Ausgrid customers. On the demand management front, we asked customers for their opinions about various opt-in customer programs including: Residential programs such as peaktime rebates;

CoolSaver air conditioning demand response; and energy efficient air conditioner replacement rebates. Business programs involving up-front subsidies for the installation of solar power systems and energy efficiency retrofits.

► The insights gathered from the research can be read <u>here</u>

Ausgrid's Solar and Energy Efficiency Business Survey

We recently launched a solar and energy efficiency business survey where we asked both solar and non-solar business customers about their experiences, motivations and barriers to improving the energy efficiency of their businesses and installing solar systems. Findings from the survey will be used to inform future DMIA funded demand management projects.

► As soon as the results are available we will publish the results on our website with a heads up included in the next edition of our e-newsletter.

AEMC Distribution Market Model

The final report on the Distribution Market Model project was published by the AEMC on 22 August which outlines the framework of what the future distribution network will look like under the principles of competitive market forces and consumer choice.

The purpose of this project was to investigate development of a transactional market-based technology platform for consumers and distributers to trade energy and related services in response to price signals. It also explored how the operation and regulation of electricity distribution networks will need to change in the future to accommodate an increased uptake of distributed energy resources such as rooftop solar power systems, batteries and electric vehicles.

► To read the full report click <u>here</u>.





AER Draft Paper on DMIS and DMIA

The AER has published its draft decision on the Demand Management Innovation Allowance/ Demand Management Incentive Scheme. The Scheme's objective is to provide distribution businesses with incentives to undertake efficient expenditure on non-network options. The objective of the Allowance is to support research & development into demand management so as to develop and refine non-network alternatives to network investment. Ausgrid's feedback on the consultation paper has helped to ensure that the Scheme is open to using demand management for a wide range of network investments such as for replacement/retirement of aged assets. Ausgrid applauds the AER's efforts to date in developing the Scheme and Allowance. The final opportunity to comment on the draft Scheme and Allowance closes this week on 12 October 2017. Get your contribution in quick before it's too late!

► To read the draft report click <u>here</u>.

AEMC Rule Determination for Replacement Expenditure

The new rule change for replacement expenditure planning for electricity network service providers came into effect in September 2017. The rule now means that network service providers must include all asset replacement and de-rating projects in its annual planning reports and regulatory investment tests. This change increases the level of transparency of information and offers non-network providers a greater number of opportunities to provide solutions for network limitations.

► Click <u>here</u> to read more.

AEMC - Contestability of Energy Services

In August 2017 the AEMC published a draft rule and determination on the contestability of energy services. The draft rule proposes to restrict networks from earning a regulated return on assets located behind the meter, and will also make changes to how distribution network services are classified. Submissions to the draft determination are due by 31 October 2017. We encourage all stakeholders to make a submission.

Click <u>here</u> to read more.





Australian Energy Market Commission

Network Opportunity Maps - New 2017 version

On 31 October the Institute for Sustainable Futures in partnership with Energy Networks Australia, released an updated version of the interactive mapping tool of Australia's electricity grid. The latest release includes a complete update of geographic datasets for all network businesses in the Australian National Electricity Market (NEM). The maps have been updated to cover the forecast period from Winter 2016 to Summer 2025/26.

► To read the media release and for more information about the maps, click <u>here</u>.

Smart Green Apartments Program – City of Sydney

Ausgrid is a member of the City of Sydney's Residential Apartments Sustainability Reference Group and supports its programs for encouraging existing and new apartment buildings to achieve better environmental outcomes. One such program is called Smart Green Apartments which is a free program that provides tailored energy, water and waste assessments to high rise residential buildings. Applications for the next round of the program for 2017/18 closed on 15 September.

► For more information visit <u>www.smartgreenapartments.com.au</u>.



We would like to learn more about which Demand Management topics or areas of interest you the most. Please take the time to take our quick poll to have your say.

For general enquiries or information you can ask us at:

demandmanagement@ausgrid.com.au



