

10th July 2020

Energy and Technical Regulation
Department of Energy and Mining Government of South Australia
Submitted to ETRConsultations@sa.gov.au

Re. Consultation on Proposed Tariffs to Incentivise Energy Use in Low Demand Periods in South Australia

Dear Energy and Technical Regulation Administrators,

Thank you for the opportunity to provide a submission on the Consultation on the Proposed Tariffs to Incentivise Energy Use in Low Demand Periods in South Australia.

Schneider Electric provides **energy and automation digital** solutions for **efficiency and sustainability**. We combine world-leading energy technologies, real-time automation, software and services into integrated solutions for Homes, Buildings, Data Centers, Infrastructure and Industries. With our Energy and Sustainability Services business and Clipsal Solar funded venture, we provide energy services to businesses and consumers.

Thank you for considering our response.

Yours sincerely,

Caroline Ottmann
Director, Strategy and Market Insights
Schneider Electric Pacific

“Solar installations are growing rapidly, with more than 200 MW per year being installed in South Australia at present. While there are many benefits of this rapid installation, with growth continuing at this rate, AEMO forecast minimum net demand could reach zero in South Australia within the next 1-3 years” (Consultation extract).

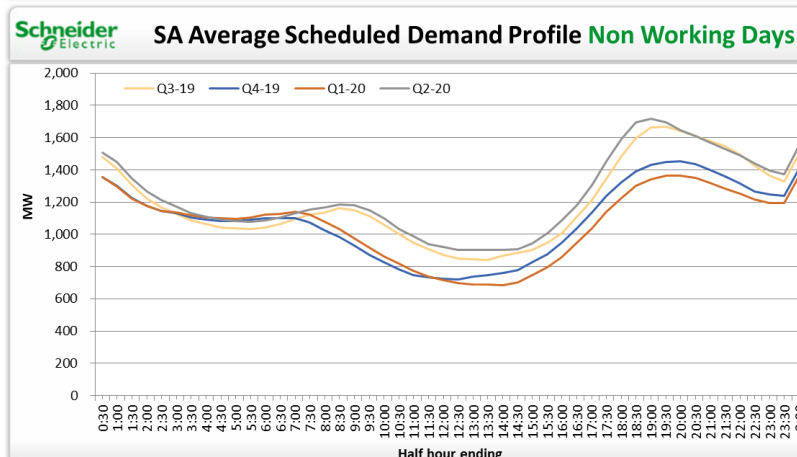
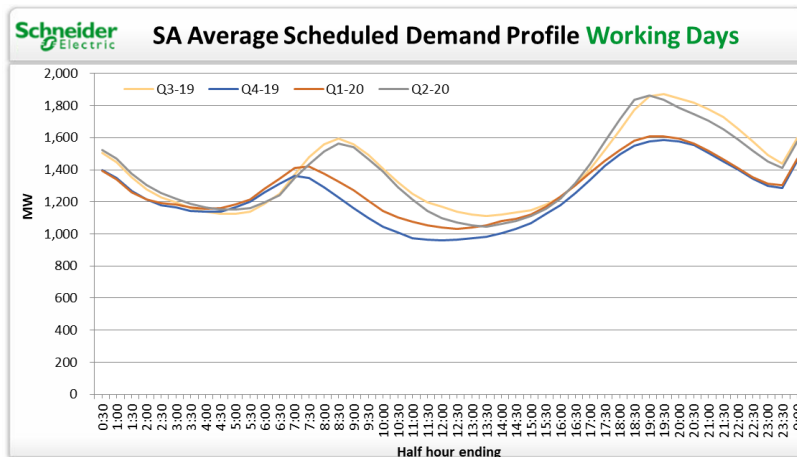
Schneider Electric supports the implementation of Time of Use tariff mechanism as it is known to incentivise energy use in low demand periods.

The proposed residential prosumer Tariff suggests the inclusion of a Summer Demand charge component, charged monthly based on maximum kW demand measured:

- o Highest daily average demand over a four-hour period in November to March only
- o Between 5:00pm-9:00pm

One addition to the proposal would be that as the Summer Demand tariff applies from November to March, it might not be the most effective way in reducing maximum demand on hot days. More targeted demand response programs may address the extreme weather load management in a more effective manner.

As indicated by the below quarterly average demand profiles of South Australia (AEMO data), there is a peak in demand in evening time and a lower demand early afternoon. As a result, another consideration would be to encourage battery discharge in the evening.



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