Electricity Distribution Price Review (EDPR) Local Government Workshop

June 2014

An initiative of the Victorian Greenhouse Alliances

Workshop program

- Context

- Activity 1: Issue prioritisation (break out groups)

- Activity 2: Compile priorities (everyone)

- Activity 3: Issue analysis (break out groups)

- Wrap up (everyone)

- Lunch

Workshop aim

1. Introduce the topic
2. Discuss strategy and priorities
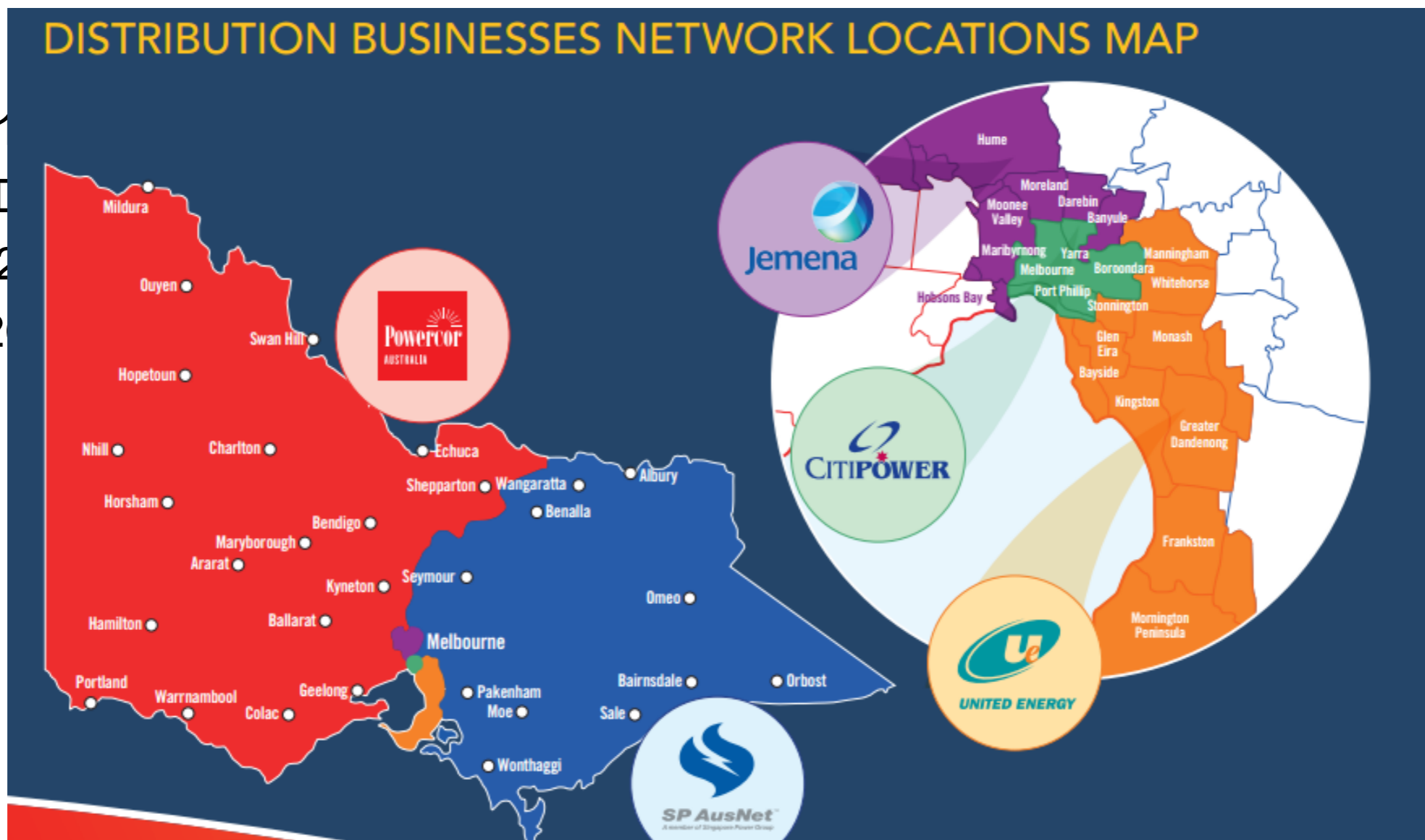3. Consider future actions

What is an EDPR?

The 2016-2020 EDPR

- 2013-1
- 2014 D
- Early 2
- Late 2

What is addressed?

1. Climate adaptation (*undergrounding, tree work, bushfires*)
2. Demand Management
3. Data exchange (*DNSPs and Councils*)
4. New technologies *(Electric vehicles, Metering, Distributed generation, Battery storage, Smart grid*)
5. Tariffs *(Solar, Energy demand and peak pricing, Flexible vs fixed, Vulnerable customers)*
6. Public lighting (*ownership, tariffs, sustainability*)

7. Customer Service
8. Capital Program
9. Maintenance Program
10. Service Delivery

Examples of outcomes that work

1. Street Lighting (Paul Brown)
2. Distributed Generation (Faye Adams)
3. Data Exchange (Rose Read)

Street lighting example
History

- 2003 zero energy efficient lighting

- 2004 first trial with AGL (Now Jemena)

- 2008 T5 and CFL lights approved by Vic DNSPs

- 2009 Frankston and Cardinia replace 10,000 lights

- 2013

  Over 80% of Vic Councils committed funding

  Savings of up to $340m and 1.2m tonnes of CO_2-e

  First LED light approved

Street lighting example
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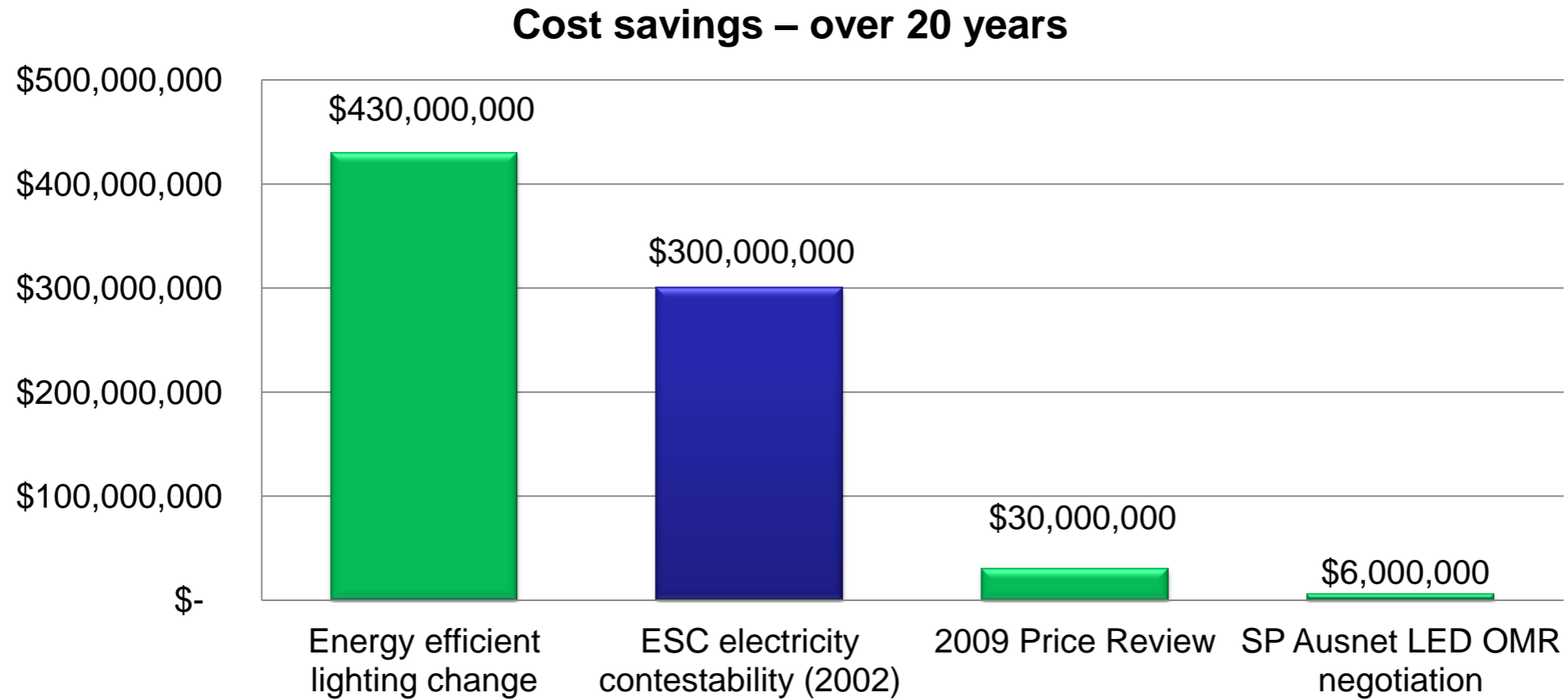- 2009 Frankston and Cardinia replace 10,000 lights
- **2014**

  Over 80% of Vic Councils committed funding

  Savings of up to $430m and 1.56m tonnes of CO$_2$-e

  First LED light approved

Action examples

Cost savings – over 20 years

A bar chart titled "Cost savings – over 20 years" with a y-axis ranging from $- to $500,000,000:
- Energy efficient lighting change: $430,000,000
- ESC electricity contestability (2002): $300,000,000
- 2009 Price Review: $30,000,000
- SP Ausnet LED OMR negotiation: $6,000,000

How did this happen?

- Engaging directly with the DNSPs with a specific outcome in mind
- Persistence…. patience…. persistence…. patience…. persistence
- Understanding
- Negotiation
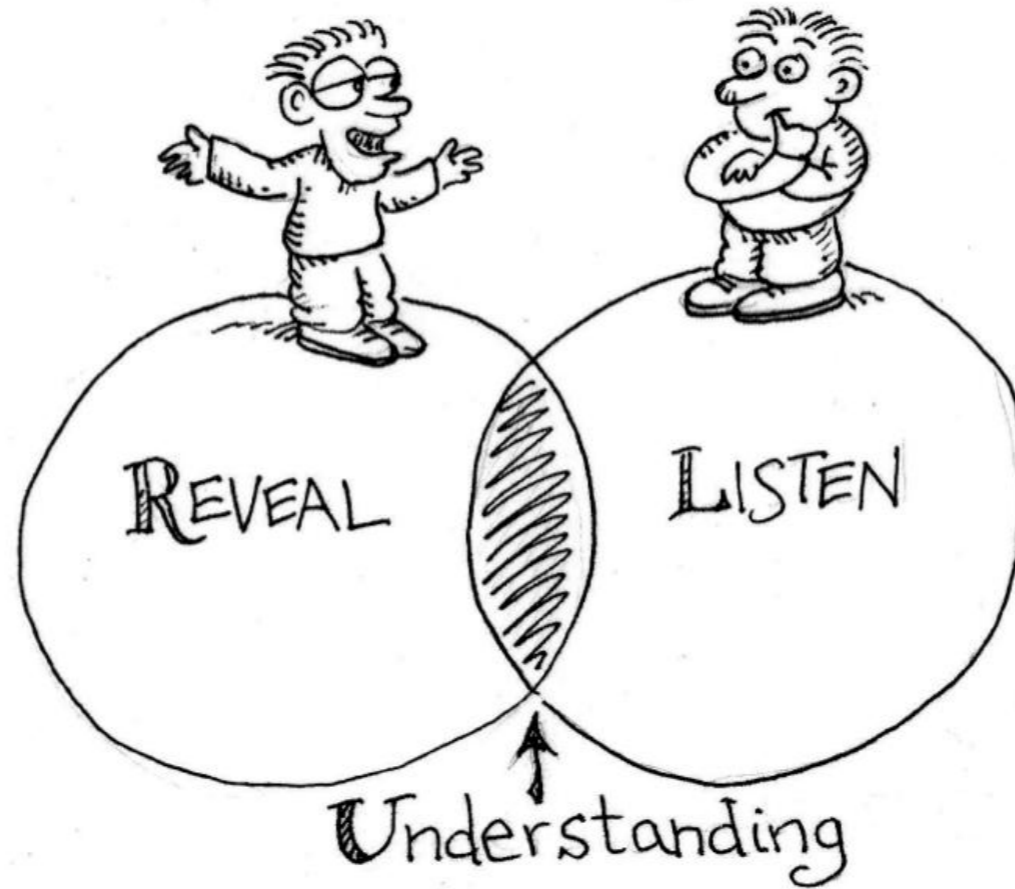- Collective action (MAV/Councils)

And….
- DNSP Apathy

Effective Action

"Perfect is the enemy of the good"

Voltaire

Understanding leads to Action

Long Term Action

Targeted Action

Careful Action

- Governance
- Confidentiality

Effective Action - What doesn't work?

❖ Waiting for something to happen

❖ Lacking evidence

*"……. the AER notes that SGC **did not provide any evidence** (for example, quotations from vendors) to support their argument…."*

❖ Doing or saying the same thing that didn't work last time

*"In terms of the ownership and capital funding of public lights, the AER considers that SGC has **not raised any new matters"***

❖ Not talking face to face *(with DNSPs and regulators*)

Rose Read - NAGA

Community Data Exchange

Faye Adams – Manningham

Doncaster Hill District Energy

Issues

1. Climate adaptation (*undergrounding, tree work, bushfires*)
2. Demand Management
3. Data exchange (*DNSPs and Councils*)
4. New technologies
   a) Electric vehicles
   b) Metering
   c) Distributed generation (*solar, gas, cogen*)
   d) Battery storage
   e) Smart grid
5. Tariffs
   a) Solar
   b) Energy demand and peak pricing
   c) Flexible vs fixed
   d) Vulnerable customers
6. Public lighting (*ownership, tariffs, sustainability*)
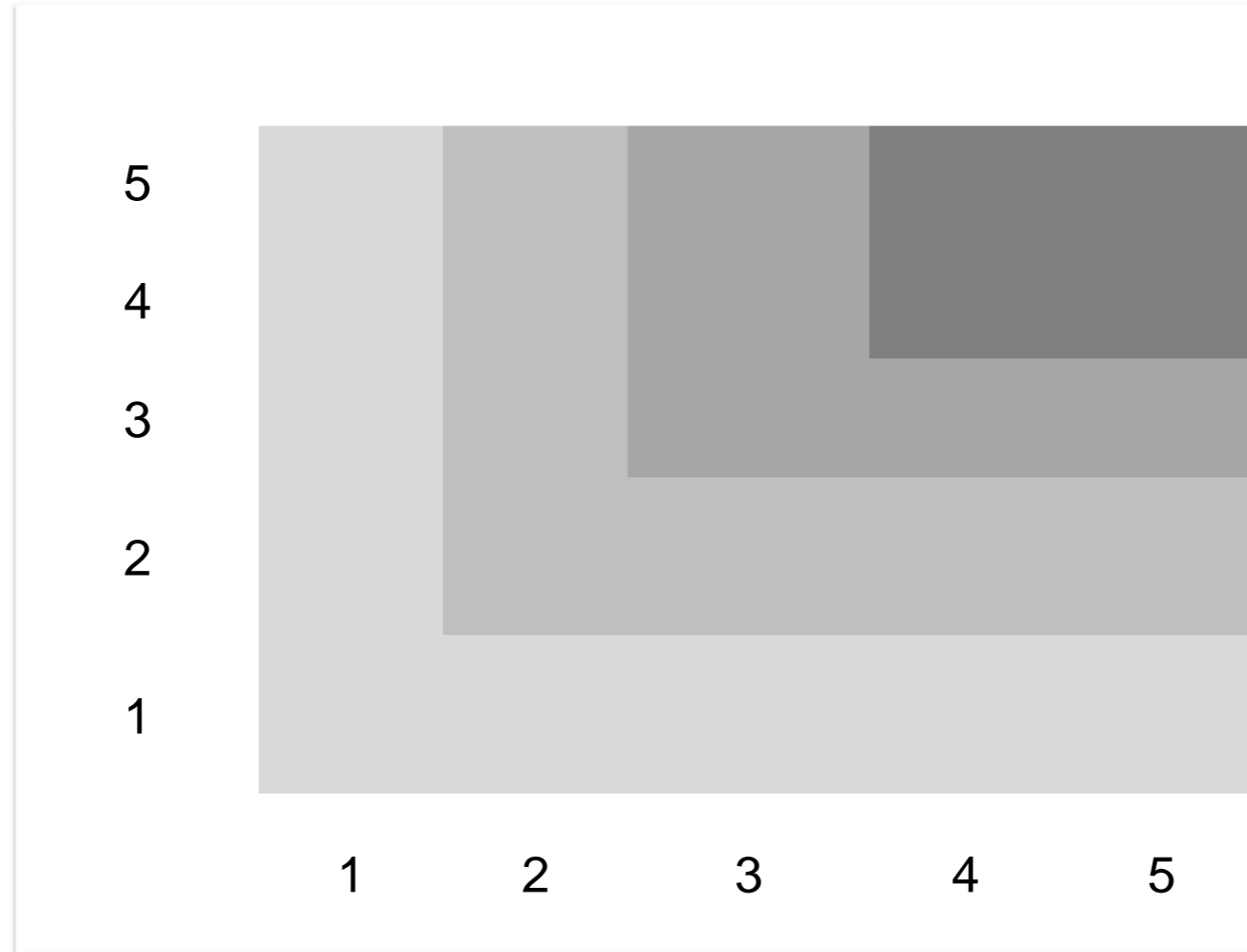
Activity 1

Instructions:

- Step 1: Prioritise all issues using the following scale
- Step 2: Write each issue on a post-it and add scores (25 mins combined)

	Low		Med		High
Impact ($, GHG, strategic benefits)	1	2	3	4	5
Ability to influence (evidence, barriers etc)	1	2	3	4	5

Activity 1

Impact
($, GHG, strategic benefits)

Ability to influence
(evidence, barriers etc)

Activity 2

Action	Short term	Long term	Who	Comment
e.g.1 Communicate centrally with DNSPs	Feedback to EDPR	Establish ongoing feedback process	SP Ausnet councils	SP Ausnet specific. Can be applied to other DNSP areas…

Types of engagement that have worked

1. Build on **existing relationships** with DNSPs
2. Use the **formal channels** *(e.g. EDPR)*
3. Create **new channels** *(communication groups, 1:1, diplomacy)*
4. Use the **regulator**

Wrap up and next steps

1. Report of outcomes from today
2. ………….thoughts

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