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Energeia study for Electricity Networks Association and CSIRO's Electricity Transformation Roadmap initiative identifies key tariff and regulatory reforms needed to unlock billions in customer incentives for efficient microgrid investment to 2050

New Energeia analysis identifies how electricity networks could save customers billions of dollars through efficient customer and industry investment in microgrids and standalone power systems. The analysis completed for ENA and CSIRO, as part of their ground-breaking Electricity Network Transformation Roadmap initiative, highlights the need for regulatory reforms to allow for innovative delivery of services through microgrids and standalone power systems.

Ezra Beeman, Energeia Managing Director, said that "Energeia is proud to have led this first-of-its-kind modelling for the ENA and CSIRO, and to have identified specific, actionable mechanisms and real benefits for the Australian electricity system, electricity distribution networks and individual residential, rural and commercial customers".

Energeia's whole-of-system simulation platform was used to test the impact of various policy scenarios on the efficient uptake of microgrid technology, and its associated impact on power system costs, customer bills and inter-customer equity. This simulation platform, which represents the largest, most comprehensive and sophisticated modelling system available, was configured to identify how different tariff structures and incentive arrangements affect the rate and efficiency of customers or communities disconnecting from the grids (or never connecting in the first place).

"The detailed, quantitative modelling clearly demonstrates that the right combination of tariff reform, regulatory change, and policy certainty can unlock billions of economic benefits for all Australians, and particularly those living in communities, or operating businesses, on the fringes of the existing electricity network" said Mr. Beeman.

More broadly, Energeia has found that:

- 10% of existing customers will leave the grid post 2030 due to inefficient price signals in current tariffs.
- The resultant uneconomic investment in Microgrids would total \$600 million (\$2016) per year by 2050.
- If reforms occur in the next 10 years, customers are likely to invest in grid-connected microgrid technology, reducing their bills further and delivering higher reliability and power quality than under the base case.
- If these reforms are enacted, it will also save all customers a total of \$1.4 billion in today's dollars, through the reduction of network and wholesale market cost by leveraging the grid connected microgrid resources.

Energeia's report, "Roles and Incentives for Microgrids and Stand Alone Power Systems", is available [here](#).

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