

Office of Energy and Climate Change
Energy, Climate Change and Sustainability
Sustainability Programs

A/O: Stephen Procter | Strategic Delivery Manager

Friday, 13 May 2022

RE: Peak Demand Reduction Scheme, Consultation paper for Rule 1

Dear Stephen,

With reference to the subject consultation paper, please consider our responses as follows.

Question 1: What administrative processes could be improved by implementing better digital systems? How would that impact your organisation?

Insufficient detail is provided around digital systems and delivery to fully appreciate their utility. It stands to reason that digital delivery will mean unhindered copying of Rule equations, data tables etc. to assist with the building of reference tables / lookup tables in workbook calculators and the like as they may be developed by ACPs.

Question 2: Do you use systems managed by other organisations to deliver the ESS rules and/or would you use them for the PDRS? If so, which ones, and how do you use them?

EC Focus uses a data collection platform managed by another organisation for some of its activities. The platform is employed predominantly to *collect* evidence in the ESS, not precisely to 'deliver the ESS Rules'. It is reasonable to think that this platform will prove its utility in the PDRS.

Question 3: Are there any digital tools, or specific software applications that could improve the PDRS customer experience or understanding of the PDRS? If so, what are they and how could they be used?

Nothing to add.

Question 4: Would you use an open calculation API if it is made available? Why/why not?

Certainly. For example, the VEU provides an online VEEC calculator for its activities which (though a slow, iterative process) provides an excellent resource for all stakeholders. Purchasers/consumers and goods & services providers including ACPs will find utility in such an API. In the early stages of any activity, it also functions as a debugging tool as it allows calculations to be tested against an authoritative source.

Question 5: Do you support the draft calculation approach and requirements for each of the technologies in the RDUE method? Please highlight positives and negatives, including any specific barriers to uptake of this activity. Space is provided in our online form for you to provide answers on each activity.

The requirement for End User Equipment under HVAC1 and HVAC2 to be demand response enabled is discussed in question 6.

The wholesale exclusion of Class 1 buildings under WH1 (or the absence of a method WH2) is discussed in question 7.

Method SYS1 (install a new high efficiency ventilation or refrigeration motor) has been devised to offer early peak demand reduction activity aligned with ESS Activity F7 (install a new high efficiency motor). It is surprising that no PDRS activities are in the draft to offer early peak demand activity aligned with ESS Activity F5 and F6 (electronically commuted motors). EC Focus believes that the initial PDRS activities should include activities for EC fans in refrigeration and ventilation.

EC Focus would support a 'replacement only' approach to activity RF2 to minimise the risk of unfit-for-purpose installations only adding to peak demand.

Question 6: Should the PDRS have a requirement for the installed end-user equipment under HVAC1, HVAC2, WH1, WH2 and SYS2 to have DRM 1, 2 and 3, capability under AS/NZS 4755? What are the alternatives?

Distinguishing between demand reduction, shifting, and response, the case can be made that demand response capability is not required to effect permanent demand reductions the kind that these initial activities/EUE provide. That said, demand response capability does add another layer of utility allowing demand to be reduced when it matters the most. EC Focus would support a requirement for the relevant EUE to have DR capability.

EC Focus does not have any views with regards to alternatives for AS/NZS 4755.

Question 7: Should the PDRS incentivise the replacement of continuous tariff hot water systems that are on off-peak or controlled load tariffs?

It is not clear precisely what the question is. Naturally, continuous tariff hot water systems are *not* off-peak or controlled load tariff.

If the question is: Should the PDRS incentivise the replacement of continuous tariff hot water systems? Then YES, the PDRS should incentivise this at both residential and business premises.

If the question is: Should the PDRS incentivise the replacement of off-peak or controlled load hot water systems? Then NO, the PDRS should not incentivise this, neither at residential nor at business premises. Energy savings may still be credited under the Energy Savings Scheme.

If the question is: Should the PDRS incentivise the replacement of hot water systems at premises that have access to off-peak or controlled load tariff – but where the subject hot water system is *not* on off-peak or a controlled load circuit – i.e., it is on continuous tariff? Then YES, the PDRS should incentivise this at both residential and business premises, noting that appropriate evidence would need to be provided.

Question 8: What aspects of the PDRS would you like to know more about, and what's the best way to provide this information to you?

- What will be the PDRS certificate registration fee?
- Will existing DR capacity, for example RERT emergency reserves or WDRM contracted capacity be able to contribute to the target? It should probably be excluded to ensure only new capacity is incentivised.

Question 9: What activities, technologies and business models are you most eager to see in the PDRS and why are these important to you?

Activities:

EC Focus would like to see the Measured Peak Demand Savings developed and the PIAM&V method employed in the verification of demand/capacity savings. A stretch target would be a pathway in the PDRS which would seek to incentivise verifiable demand reductions during real forecasted peak demand events within the November to March compliance period.

EC Focus wants to see EC fans included in RDUE activities aligned with ESS Activities F5 and F6.

We trust you will give this response due consideration.

Sincerely,

On behalf of EC Focus Pty Ltd

A handwritten signature in black ink, appearing to read "Jens Mozer".

Jens Mozer

Technical Director

jens@energyconservation.com.au

0487 443 762