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Industrial Energy Efficiency Branch
Department of Resources Energy and Tourism
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Draft Australian Energy Efficiency Data Framework

The Energy Supply Association of Australia (esaa) welcomes the opportunity to provide comment and feedback to the Department of Resources Energy and Tourism on its draft Australian Energy Efficiency Data Framework.

esaa is the peak industry body for the stationary energy sector in Australia and represents the policy positions of the Chief Executives of over 40 electricity and downstream natural gas businesses. These businesses own and operate some \$120 billion in assets, employ 52,000 people and contribute \$16 billion directly to the nation's Gross Domestic Product.

The discussion in the draft Australian Energy Efficiency Data Framework raises concerns regarding the availability of price, consumption and other data relating to the stationary energy sector, in particular electricity. It laments the limited availability of certain disaggregated data, which is attributed to the liberalisation of energy markets over recent decades. While noting that such data may be considered commercially sensitive by the companies who pay to collect or acquire this data, it argues that it should be in the public domain due to its "importance for public policy".

This importance is discussed only in the most general terms, and the consequence of increased regulatory burden to companies in the stationary energy sector is given no consideration. The sector has undergone many changes as a consequence of restructuring and deregulation, so that what may have been straightforward to collect and disseminate in the past may be more complex now.

Taking as an example retail prices, which the draft Framework describes as "critical to any public policy analysis of energy efficiency trends", the old SECV may have maintained a single state-wide set of tariffs by class of customer. Today, in its place, there may be multiple, competing retail companies, with a wider variety of offers for households and small businesses including tariffs for different proportions of GreenPower, prompt payment discounts, offers for fixed term contracts and so on. At the level of large industrial customers, price may be a matter of negotiation and embodied in sophisticated contracting arrangements, rather than a simple price per KWh. Future developments may also offer alternative arrangements including time of

use or critical peak pricing, or energy service deals, such as in the business models proposed by some electric vehicle charging service companies, which are not based on a unit price proposition.

The proliferation of prices – as is the norm in other competitive sectors of the economy – mean that collating and presenting price information in a conformed format is a significant exercise that will impose additional regulatory burden on a sector already subject to a panoply of government regulations and requirements. The costs of compliance with this regulatory process will ultimately be borne by customers, who already have to contend with significant price rises.

It is not clear from the draft Framework that a *comprehensive* dataset of prices is necessary for the purposes of energy efficiency. In practice a smaller set of typical reference prices for a few different classes of consumers may suffice to illustrate the savings that can be made from standard energy efficiency initiatives. After all, in any given case the benefits are likely to be specific to each household's or business's circumstances. Such price information should be easily obtainable from regulatory agencies or price comparison websites and do not require additional data collection regulations.

Similarly, it is not clear that comprehensive and highly granular consumption data is a key requirement. More may be learned about energy efficiency outcomes from sample studies connected to particular projects, such as Smart Grid Smart City, or from corporate Energy Efficiency Opportunities submissions.

Of course, a national overview of changes in energy intensity (as a macro-level proxy for energy efficiency) is important to understand the overall impact of energy efficiency policies. But this should be capable of being monitored via existing ABS/ABARE datasets.

None of the above is intended to suggest that there can be no case for additional data collection requirements to support energy efficiency initiatives, rather that such requirements need to be clearly justified via cost-benefit analysis with a robust consideration of both the costs and the benefits specific to the data requirement (rather than with reference to the larger more general benefits of energy efficiency).

Any questions about our submission should be addressed to Kieran Donoghue, by email to kieran.donoghue@esaa.com.au or by telephone on (03) 9670 0188.

Yours sincerely

A handwritten signature in black ink, appearing to read 'Brad Page', with a stylized flourish at the end.

Brad Page
Chief Executive Officer