

2M+ solar roofs

What's in it for consumers ?



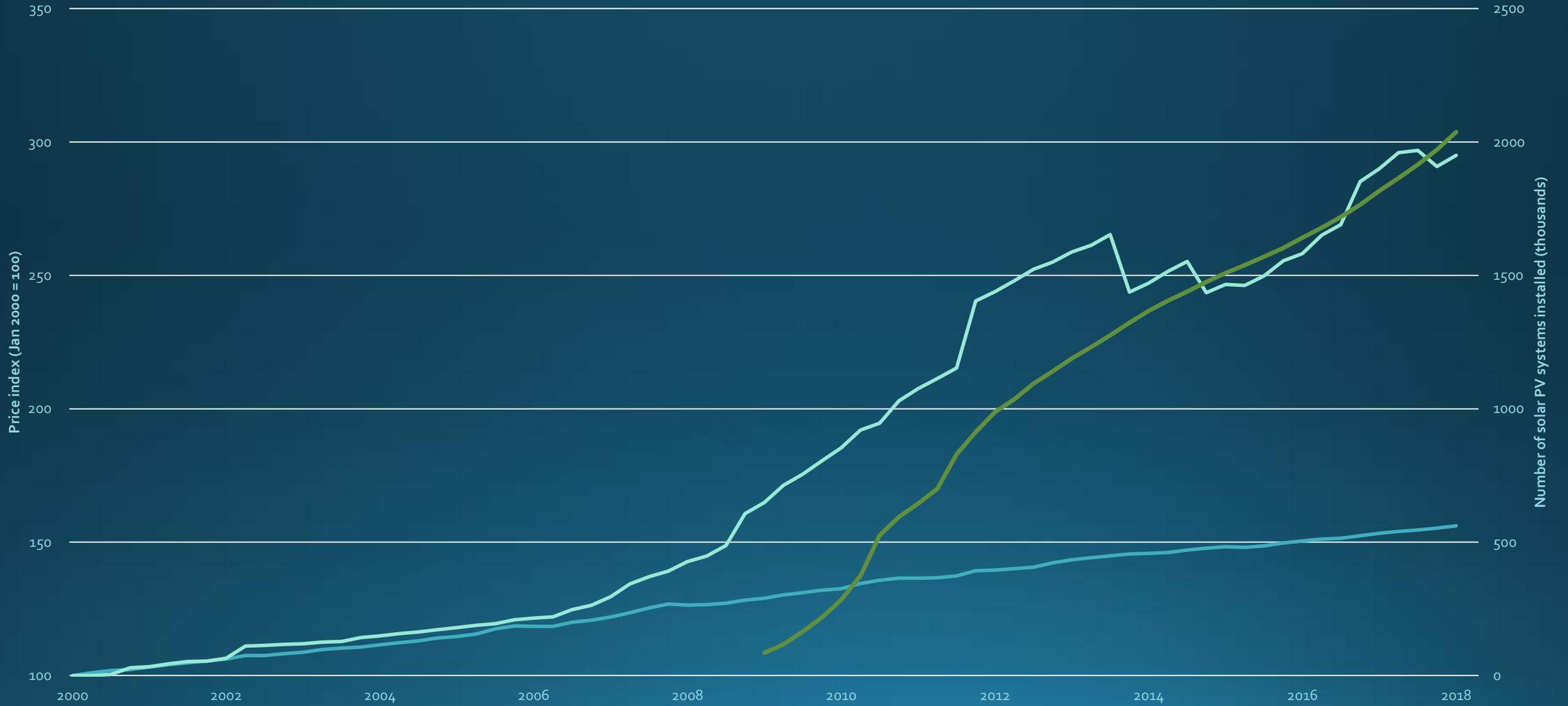
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# Cost Price Index, Electricity Prices and Solar PV growth

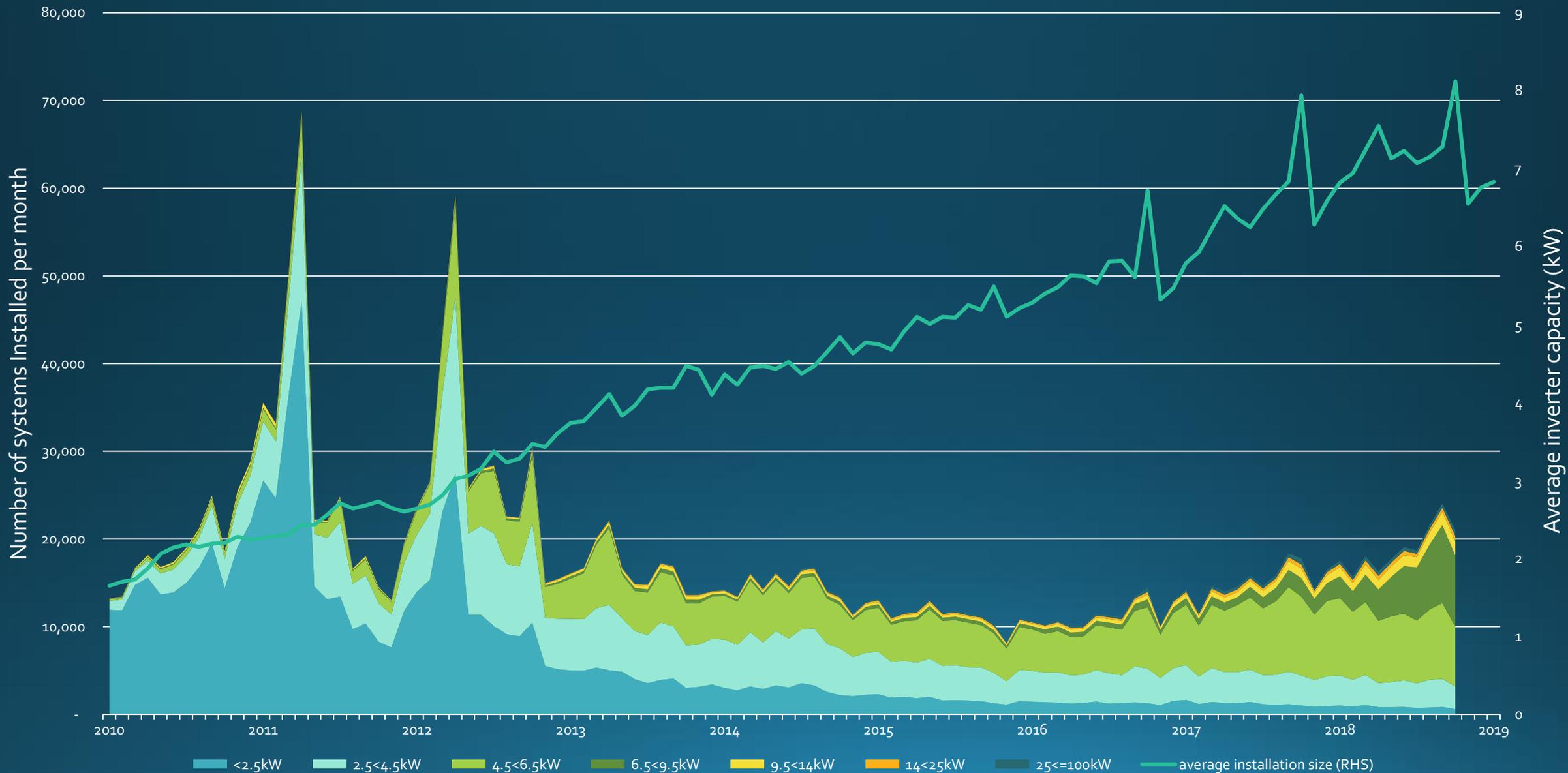
## Quarterly change since 2000 (index 100 = 2000)

CPI - Australia    Index - Electricity price    Solar PV systems (RH axis)



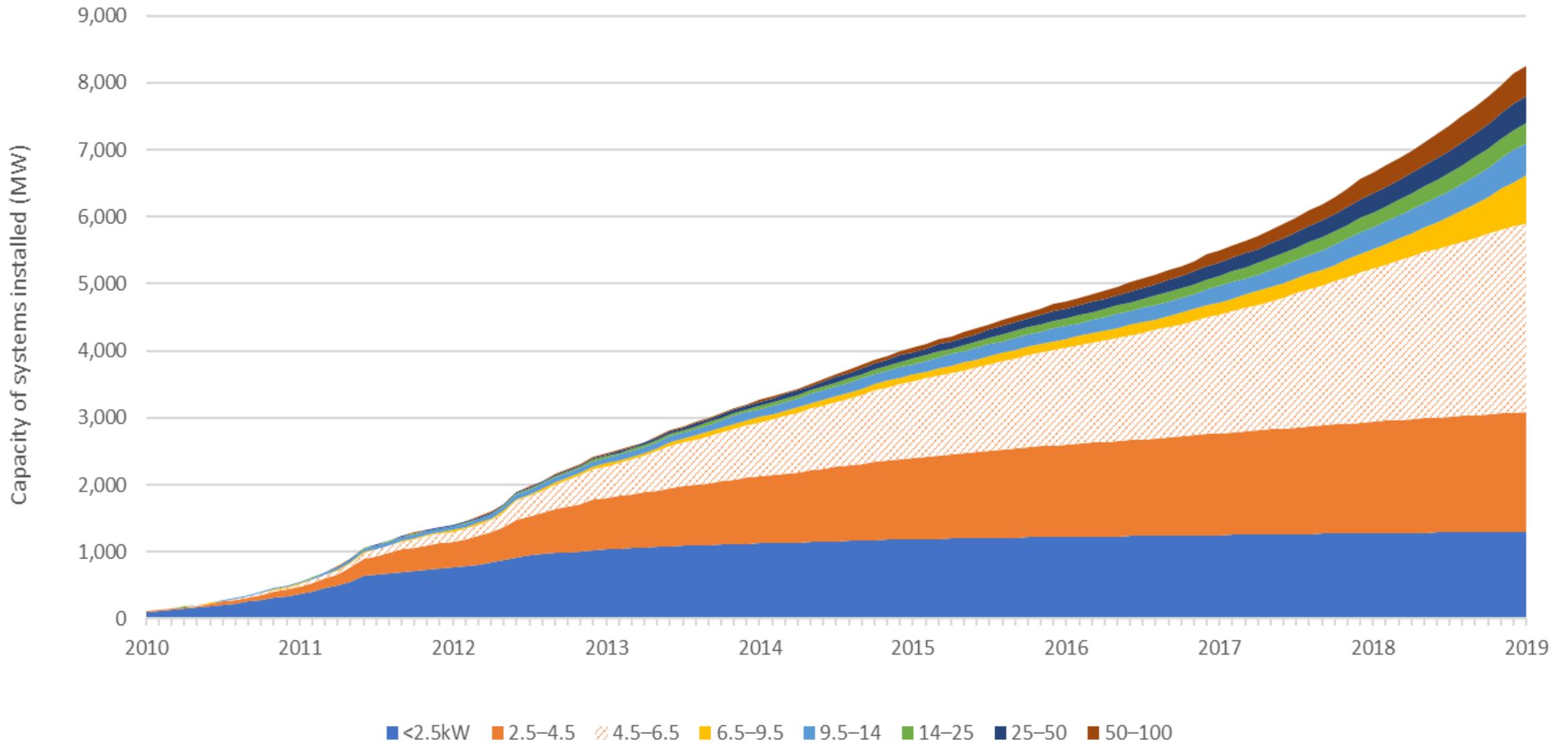
# PV installations in Australia

## Monthly Installations by inverter capacity



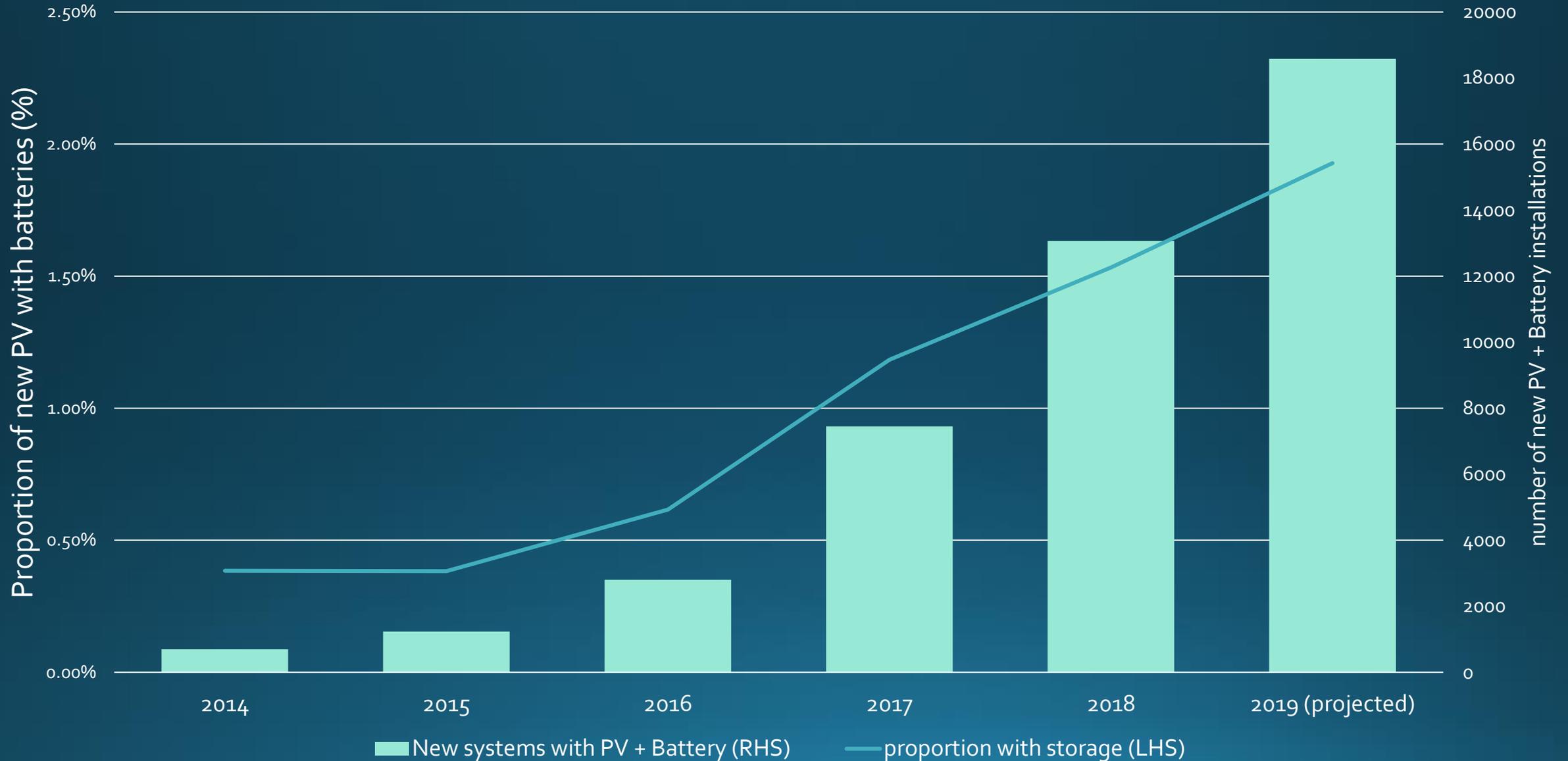
# PV Installations in Australia

Capacity of small (<100kW) systems (cumulative, by inverter capacity)



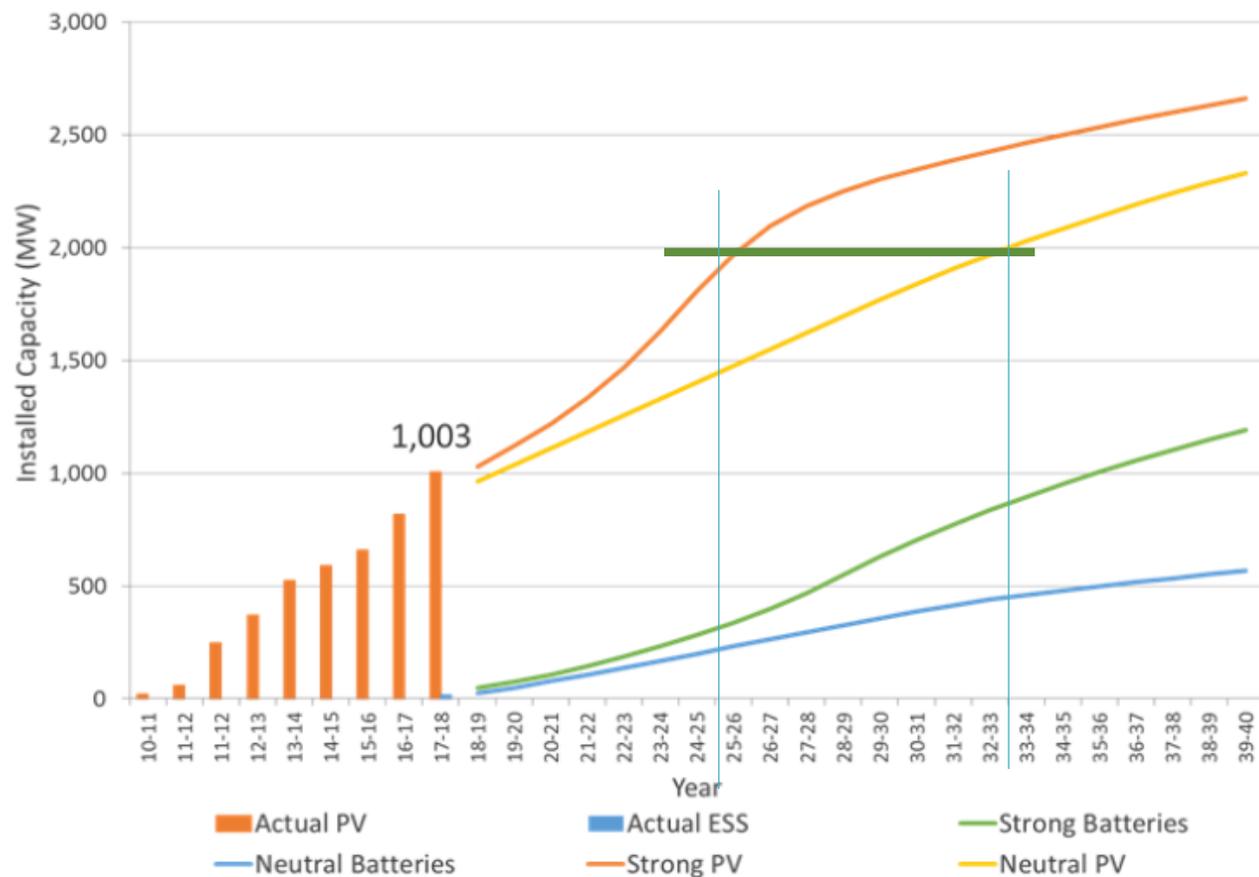
# PV + Battery systems in Australia

## Small residential and commercial customers



# Our DER integration challenge

Forecast uptake of DER in SA will exceed network hosting capacity in areas of our Low Voltage network in 2020-25



20,000 new small-scale PV systems in 2018

284 MW of new solar in the past 12 months



Up to 90,000 batteries in coming years under SA Government schemes

### 3. Why do this work ?

- Put some stability into community concern and mistrust, with a change agenda ahead
- All customers ultimately pay
- Without consumer support, good ideas will struggle
- Equity could (will) become a public issue

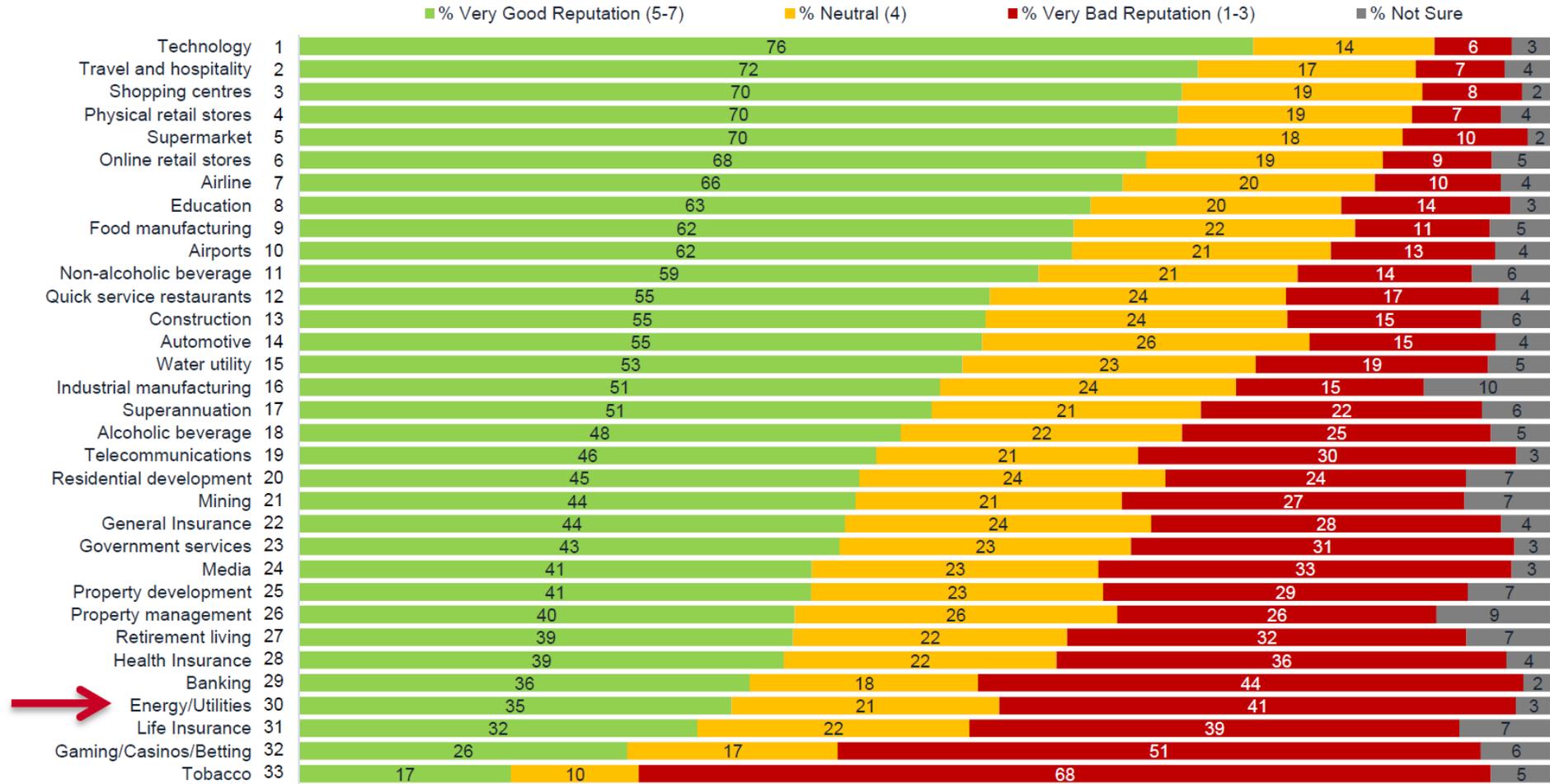
#### Risks are:

- inefficient delivery
- deliver the wrong thing at the wrong time in a period of short lived assets
- Damage community trust when a change agenda (tariff reform) is imminent

## 4. Research

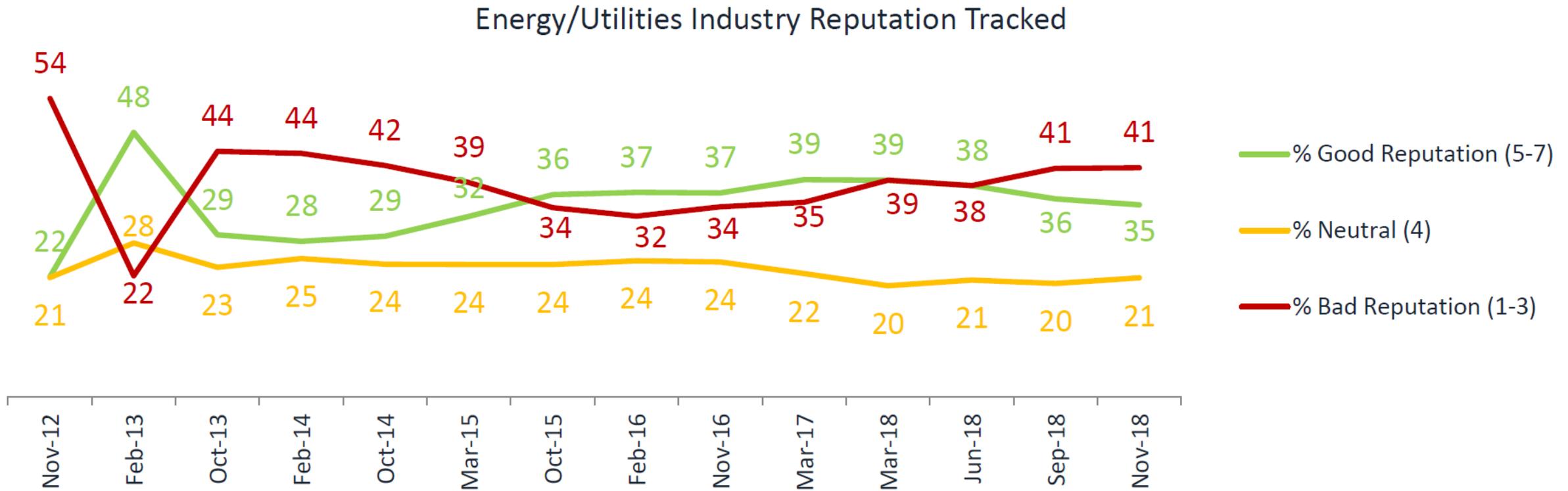
- CSIRO / AEMO
- Reports on wholesale price impact (affects all consumers)
- Jeff Somerville & Laurie Buys from QUT
- Synthesis report from the UK (Cardiff Uni)
- Larissa Nichols & Peta Ashworth – engaging households towards the future grid (monash)
- Household surveys, Distributor consumer engagement
- ACCC 2018

# Industry Reputation November 2018



# Energy Industry Reputation over time

*For a second consecutive quarter more consumers have a bad opinion about the Energy/Utilities industry than good.*



## 5 My chapter

- Look at the environment that led to the situation so far
- Distil 5 factors that influenced consumers through 2010- 15
- Examine the growth now, particularly in mid-scale
- Profile 'what's in it for the consumer (qualitative)
- Extrapolate – what's In it for consumers ?

## 6 Findings

- There was a *high level of disquiet in the community* about energy prices, and a strong desire to explore alternatives.
- Related to the price rise was a strong sense of *frustration and annoyance with the existing electricity companies*.
- The *investment* case was relatively simple to understand, seen as low risk, with a strong rate of return.
- *'Free money* from the government, get in early, don't miss out !'
- It was easy – basically *'set and forget'*. 'trusted advisors', independent of the legacy electricity industry



## 7 Looking Ahead



The role of retailers & aggregators



Connection requirements to include control for export – acceptance ?



Trust – and the desire for grid independence



Commercial offering – business case, especially role of government incentives



Look at DER in 2 lenses (AER)

1 – provide the platform

2 – consider the market environment

Cheaper!  
Easier!  
Clearer!



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