

18 December 2013

SP AusNet helps large businesses cut power costs

SP AusNet's 2013/14 Critical Peak Demand (CPD) program has been launched, helping its large business customers reduce their electricity costs.

Introduced in 2010, the CPD program incentivises large businesses to cut their consumption for four hours on five days of high network demand between December and March to secure a reduced electricity demand charge for the next 12 months.

Nino Ficca, SP AusNet Managing Director, said this demand-side management tariff helps customers manage their electricity bills and SP AusNet to efficiently manage network investment.

"SP AusNet is committed to the safe and reliable supply of electricity to customers, with an emphasis on efficient investment," Mr Ficca said.

"Our unique critical peak demand tariff incentivises business customers that consume more than 160 megawatt hours per annum to reduce their electricity demand at times of high network demand, typically periods of hot summer days.

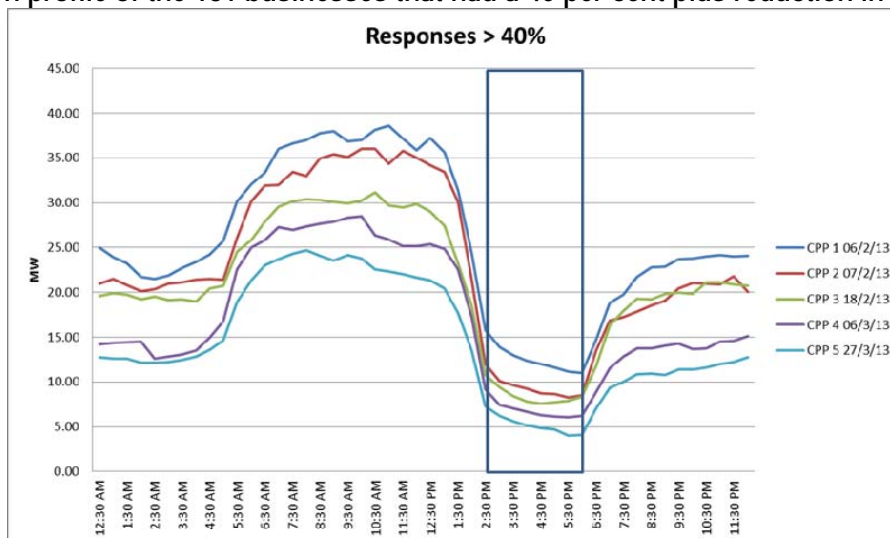
"This eases the demand pressure on the network, which gives all of our customers a more reliable electricity supply, reduces costly peak demand infrastructure investment and associated flow-on costs to consumers," he said.

SP AusNet's results for the 2012/13 critical peak demand program show that 1,333 of the 1,977 businesses participated, reducing peak demand by 42 megawatts, the annual peak demand equivalent of 8,500 homes.

"We were pleased with nearly seven out of 10 businesses reducing their demand on the nominated days," Mr Ficca said.

"More pleasingly was that 181 businesses reduced their demand by more than 40 per cent and some businesses in agriculture, water supply and manufacturing totally cut their demand on all of the five days," he said.

Consumption profile of the 181 businesses that had a 40 per cent plus reduction in peak demand



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How will the critical peak demand (CPD) process work?

- SP AusNet will provide advance notice of 'potential' CDP Days via SMS – potentially 7 days in advance based on the Bureau of Meteorology (BOM) weather forecasts for Melbourne.
- Potential CPD days will be nominated where extreme temperatures are expected or consecutive days of hot weather are forecast.
- Potential CPD days will not automatically lead to a declared CPD day as forecasts can vary over time.
- SP AusNet will officially declare a CPD day via SMS by 2pm (AESDT), the day prior and update our website www.sp-ausnet.com.au/cpd.

The critical peak demand tariff gives businesses the opportunity to minimise electricity consumption or seek alternative supply sources between 3pm and 7pm daylight saving time, (2pm and 6pm AEST as on your meter) on five 'peak demand days' nominated by SP AusNet.

SP AusNet then calculates the average peak demand on those five days, which forms the basis of the 'demand critical peak component' of the business's tariff for the following 12 months.

Ends...

About SP AusNet

SP AusNet is the largest diversified energy network business in Victoria, owning and operating more than \$10 billion of electricity and gas distribution assets, including the state-wide electricity transmission network. The company also has a non-regulated division, Select Solutions, providing utility services.

Headquartered in Melbourne, Australia, SP AusNet employs more than 1800 people to service 1.3 million consumers and is listed on the Australian Securities Exchange (ASX: SPN) and the Singapore Stock Exchange (SGX-ST: X04).

For more information visit SP AusNet's website, www.sp-ausnet.com.au.