



Media Release

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Investigating more flexible charges for local renewables

The Australian Renewable Energy Agency (ARENA) is providing \$250,000 to support the development of new locally based renewable energy projects through investigating more flexible tariffs and charges.

ARENA CEO Ivor Frischknecht said the Institute for Sustainable Futures at the University of Technology Sydney (UTS) would conduct studies, consultations and virtual trials to inform potential rule changes in the National Electricity Market (NEM).

“The current NEM rules were formed at a time when centralised generation was the norm and local generation was the exception,” Mr Frischknecht said

“UTS will work with local councils such as City of Sydney, energy retailers, network service providers, the Total Environment Centre and other project partners to investigate two potential reforms.

“The first reform could see local generators benefit from a reduction in network charges for using only the local network and decreasing demand in the surrounding area.

“The second would make it possible to allocate excess generation at one site to other sites through virtual net metering. This could, for example, allow a local council to install a solar array at one of its properties and allocate any excess power generation to other nearby sites.”

Five virtual trials across NSW, Victoria and Queensland will increase the understanding of these options and establish how they could work in practice. The results will be shared amongst project partners, stakeholders and the broader energy industry.

Mr Frischknecht said the groundwork would be critical for supporting project partners to build a case for potential changes to be submitted to the Australian Energy Market Commission.

“Such rule changes could potentially level the playing field for renewable energy and acknowledge the contribution renewables can make to relieving local network strains,” Mr Frischknecht said.

“This may encourage more councils, community organisations and businesses to invest in renewable energy.

“Integrating more renewable energy into our electricity grids is a key focus area for ARENA and we are currently seeking out new projects, like this one, which work towards achieving this goal.”

The project is scheduled for completion in August 2016.

ARENA media contacts:

James Webber: 0410 028 899

Judith Ion: 0434 169 037

media@arena.gov.au

**For more
information**
arena.gov.au

About ARENA

ARENA was established by the Australian Government to make renewable energy technologies more affordable and increase the amount of renewable energy used in Australia. ARENA invests in renewable energy projects, supports research and development activities, boosts job creation and industry development, and increases knowledge about renewable energy. ARENA is currently supporting more than 200 projects and is actively seeking new projects to support.

About the Institute for Sustainable Futures

The Institute for Sustainable Futures (ISF) is a research institute at the University of Technology Sydney that creates change towards sustainable futures by conducting independent project based research for Australian and international clients. ISF works with industry, government and the community on research projects across a range of research areas using a variety of approaches. These projects foster lasting change and aim to build independent capacity in clients by passing on knowledge and skills.