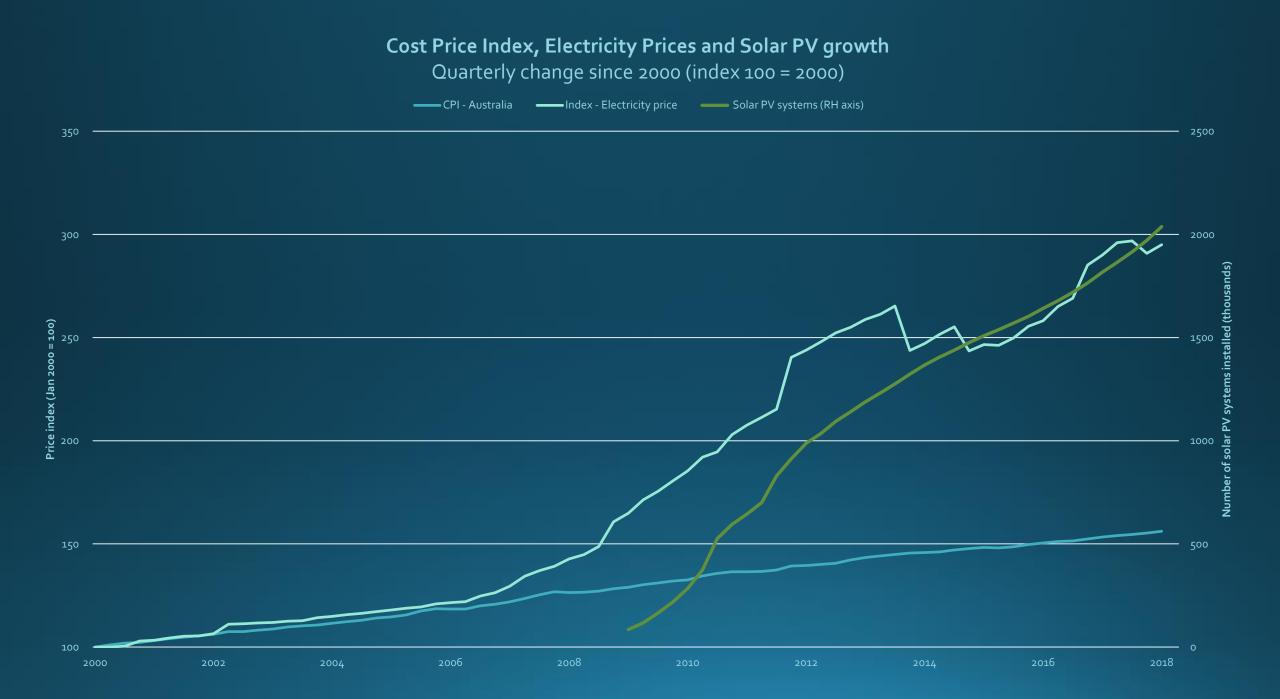


2M+ solar roofs

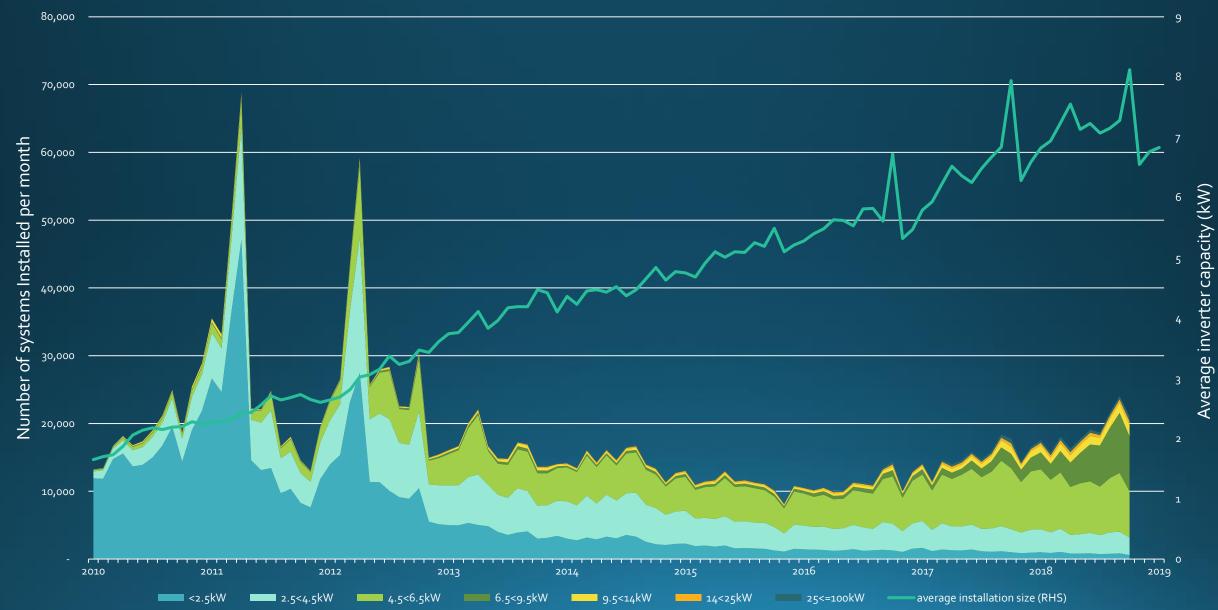
What's in it for consumers ?

Mike Swanston

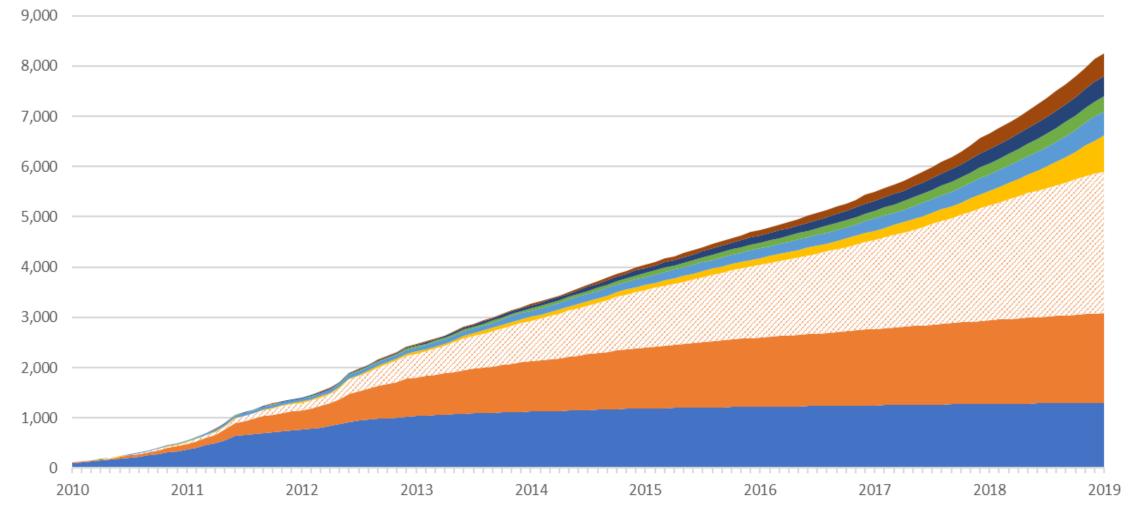
mike@thecustomeradvocate.com.au



PV installations in Australia Monthly Installations by inverter capacity



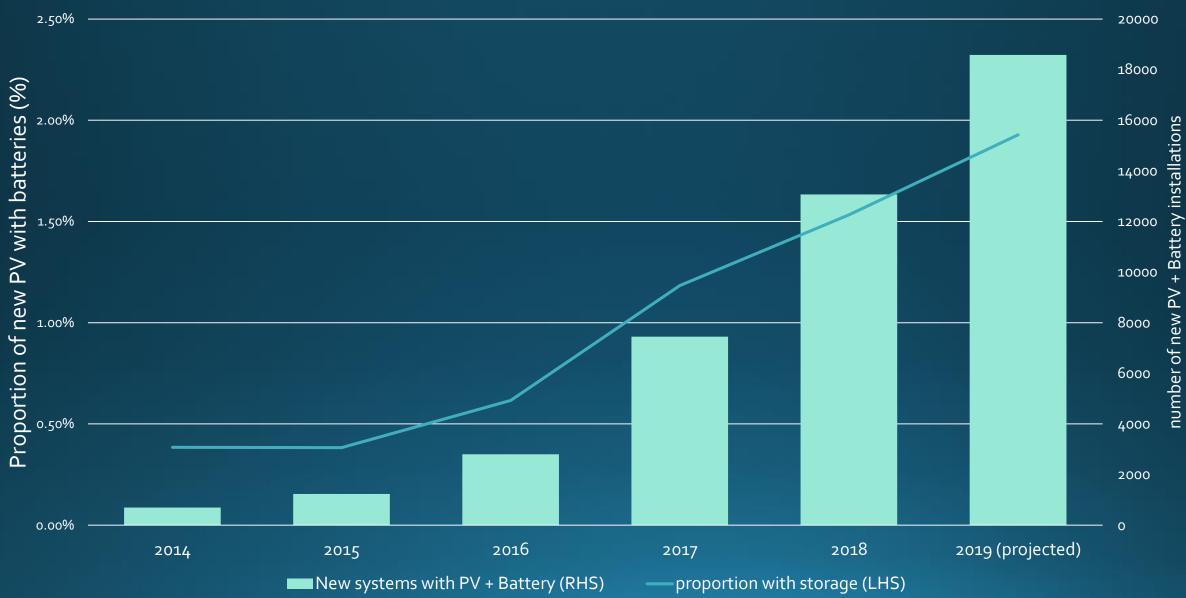
PV Installations in Australia Capacity of small (<100kW) systems (cumulative, by inverter capacity)



■<2.5kW ■2.5-4.5 %4.5-6.5 ■6.5-9.5 ■9.5-14 ■14-25 ■25-50 ■50-100

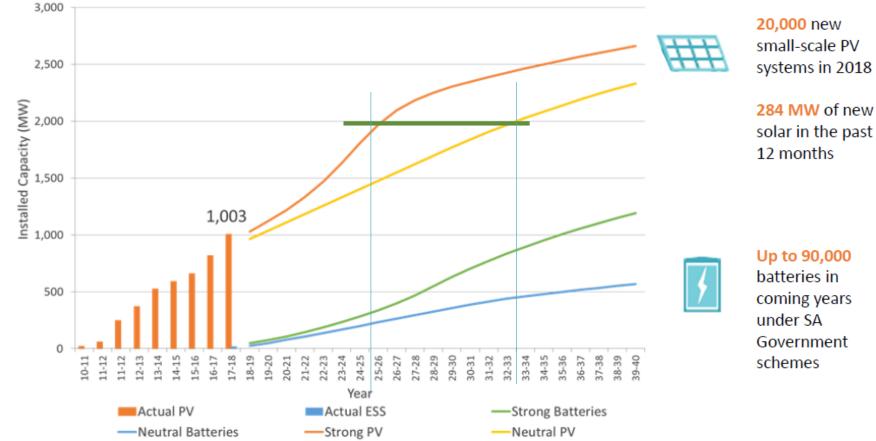
Capacity of systems installed (MW)

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



small-scale PV systems in 2018

solar in the past

8

Source: SAPN

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

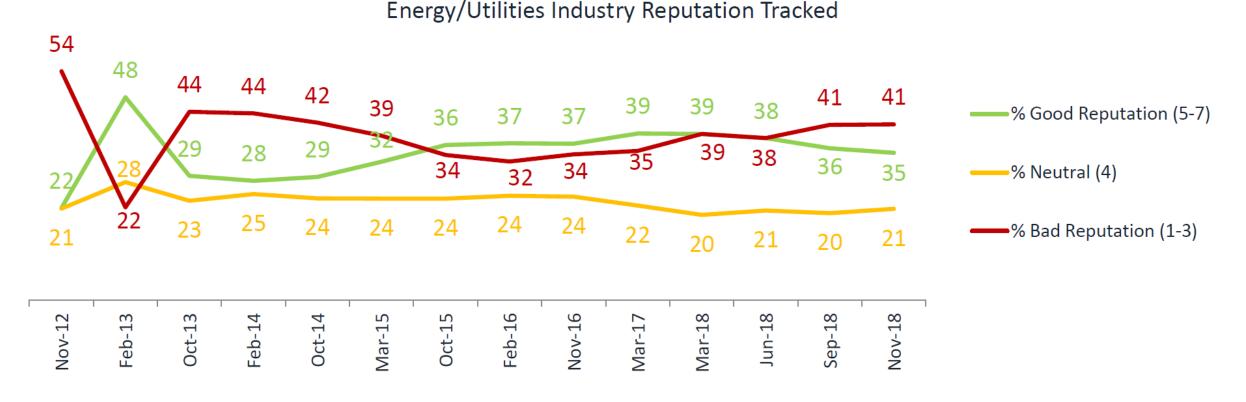
Industry Reputation November 2018

	■ % Very Good Reputation (5-7)		■% Neutral (4)	■% Ve	ry Bad Reputation (1-3)	■% Not S	ure
Technology 1			76			14	6 3
Travel and hospitality 2		72			17	7 4	
Shopping centres 3		70				19	8 2
Physical retail stores 4		70			19	7 4	
Supermarket 5		70			18	10 2	
Online retail stores 6		3		1	9 9	5	
Airline 7				20	1	0 4	
Education 8				20	14	3	
Food manufacturing 9		62			22	11	5
Airports 10				21	13	4	
Non-alcoholic beverage 11		59			21	14	6
Quick service restaurants 12		55			24	17	4
Construction 13		55			24	15	6
Automotive 14		55			26	15	4
Water utility 15		53			23	19	5
Industrial manufacturing 16		51			24	15	10
Superannuation 17	51			2	21	22	6
Alcoholic beverage 18		48		22		25	5
Telecommunications 19		46		21		30	3
Residential development 20		45		24		24	7
Mining 21		44		21		27	7
General Insurance 22		44		24		28	
Government services 23		43		23		31	
Media 24		41		23		33	
Property development 25		41		23		29	7
Property management 26		40		26		26	
Retirement living 27		39		22		32	
Health Insurance 28		39		22		36	
Banking 29	36		18	18		44	
Energy/Utilities 30	35		21	21		41	
Life Insurance 31	32	32		22		39	
Gaming/Casinos/Betting 32	26	26 1		51			6
Tobacco 33	17	10		6	8		5

Source: Reputation Institute, RepTrak

Energy Industry Reputation over time

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



Source: Reputation Institute, RepTrak

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 ?

1

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





Mike Swanston

mike@thecustomeradvocate.com.au