

10 July 2013

SP AusNet tariff cuts businesses' peak demand and costs

SP AusNet's peak demand tariff has successfully helped its large business customers contribute to a total annual peak demand reduction of 2.5 per cent across its electricity distribution network.

Introduced in 2010, the tariff provides a financial incentive to large businesses to cut their consumption 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 consumers 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 – our largest users – to reduce their electricity demand at times of high network demand, typically the hottest summer days.

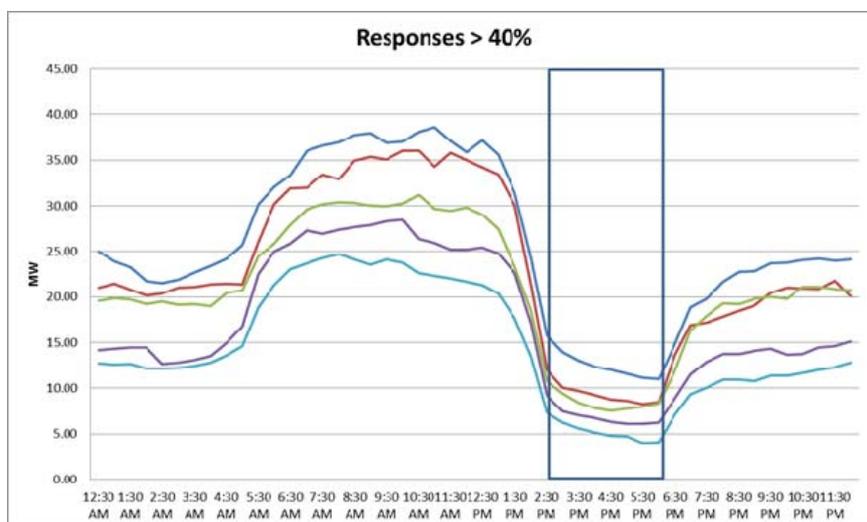
"This eases the demand pressure on the network, which gives our customers a more reliable electricity supply, reduces peak demand infrastructure investment and associated flow-on costs to consumers," he said.

SP AusNet's results for the 2012/13 summer 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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Under the program, SP AusNet nominates five peak demand days over the summer period on which eligible business customers that consume more than 160MWhs (megawatt hours) per annum can reduce consumption or seek alternative supplies.

SP AusNet averages the usage on those days to calculate their demand charges for the next 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.