



Ref: BS:JC:C1878999

9 December 2011

Energy Savings Scheme Rule Change Consultation
Department of Trade and Investment
GPO Box 3889
Sydney NSW 2001

Email: ess@dwe.nsw.gov.au

Dear Sir / Madam

ESS Rule Change Consultation

Essential Energy appreciates the opportunity to respond to the Department of Trade and Investment's – Energy Savings Scheme (ESS) rule change consultation paper and draft rule (the proposed rule change).

Essential Energy (formerly Country Energy) is a NSW Government-owned corporation, with responsibility for building, operating and maintaining Australia's largest electricity network – delivering essential network services to more than 800,000 homes and businesses across 95 per cent of NSW, parts of southern Queensland and northern Victoria.

Essential Energy is currently investigating potential opportunities to include reductions in network energy losses as Renewable Energy Savings Activities (RESAs) under the ESS. Whilst the majority of the proposed rule change involves lighting replacement activities, two of the proposed changes will allow possible network activity RESAs.

As an Accredited Certificate Provider under ESS, Essential Energy provides the following comments in relation to network activities included in the proposed rule change.

- ***Expand the definition of 'Site' to allow energy savings activities at locations where there are multiple or no direct electricity meters or logging devices, such as street lighting, traffic signals and network loss reduction equipment.***

Essential Energy supports the expanded definition of 'Site' to allow provision for sites where electricity consumption is measured by several National Meter Identifier's (NMIs), or where equivalent energy consumption data exists, therefore allowing loss reduction equipment to be included. The addition of part d) of this clause "determined by a methodology approved by the Scheme Administrator" would also allow for the potential to include any unusual situations.


- **7. To expand the definition of 'Energy Saver' to clearly allow network loss reduction activities.**

Essential Energy supports the expansion of the definition of 'Energy Saver'. The expanded definition will allow the inclusion of network loss reduction activities created by network service providers as RESAs. The inclusion of the clause "Where the End-User Equipment forms part of the NSW Electricity Network, the person that owns that End-User Equipment" will provide for a less complex accreditation process.

Essential Energy supports the proposed definitions of 'Site' and 'Energy Saver' and believes the changes will clearly allow network loss reduction activities to be eligible under the ESS. The proposed rule change will also enable a simpler accreditation process for network service providers.

Essential Energy would be pleased to discuss this matter further. Should you require further information or clarification please contact Natalie Lindsay, General Manager Regulatory Strategy & Compliance, on

Yours sincerely



Col Ussher
Executive General Manager Infrastructure Operations