## Energy Networks Australia

## **MEDIA RELEASE**

15 June 2018

## INTEGRATING SOLAR AND STORAGE INTO THE GRID: HAVE YOUR SAY

Stakeholder input is being sought on how best to integrate solar and energy storage into electricity networks to help ensure quality and reliability of supply and lower household power bills.

Released today by Energy Networks Australia and the Australian Energy Market Operator, the Open Energy Networks Consultation Paper proposes options for improving the electricity system to ensure household solar and storage work in harmony and deliver the most value for all customers.

Energy Networks Australia CEO Andrew Dillon said the consultation built on the work of the joint CSIRO-Energy Networks Australia <u>Electricity Network Transformation Roadmap</u>, released in 2017.

"The huge uptake of rooftop solar systems and the increasing growth of both household batteries and electric vehicles poses great opportunity but also significant technical challenges for the distribution and transmission of electricity," he said.

"This is changing how our energy system has been designed to work for more than a century - from a centralised one-way flow of electricity to consumer to a decentralised system where many households feed power back into the grid.

"Until now, our distribution networks have done a remarkable job as a sponge, soaking up all this solar generation and managing the growing two-way flows.

"However, parts of our networks already can't handle any more solar and as many of the early adopters also install batteries and buy electric vehicles, we will see major electricity flows that reverse in a millisecond that could cause major problems."

Mr Dillon said effective management or 'optimisation' of a decentralised energy system would not only support its safe and reliable integration into the grid, but also unlock the true value of customer investment in these resources.

"If no action is taken, it will be bad news for everyone, especially consumers," Mr Dillon said.

"Electricity quality may degrade, with volatile voltage reducing the lifespan of appliances, investment in solar or batteries may take longer to repay as customers are constrained in the amount of electricity they can put back into the grid or they may not even be allowed to connect a new rooftop system if their local area is saturated.

"Without a proper management framework, it also could mean distributors are forced to make costly investments in infrastructure that would push up network charges in household power bills."

Mr Dillon said there were significant financial benefits to be gained from optimising solar and storage resources.

"The Roadmap identified that getting this optimisation right could avoid some \$14 billion worth of investment and ultimately lower household electricity bills by more than \$400 a year," he said.

"Optimising the local grid to get solar and storage working in harmony with the system will maximise value for all. The question we are consulting on is how we best make this happen."

The paper is available here.

Consultation is open until 3 August, 2018.

## **ENDS**

Media Contact: Nicole Saleh 0404 028 794.

Energy Networks Australia represents Australia's electricity transmission and distribution networks and gas distribution networks. Our members provide energy to virtually every household and business in Australia.