

ESIA Media Release

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NSW peak demand reduction scheme launched reducing peak consumption 10% by 2030, improving reliability and security

In a much-anticipated national first, the NSW government today launched its peak demand reduction scheme (PDRS) with a target of 10% by 2030, supporting that state's pathway to net zero by 2050 and strengthening energy reliability and security.

"The PDRS is a vital new lever that could be ramped up further if coal-fired generators become less reliable sooner or if climate change supercharges extreme weather events with higher than predicted stress on the electricity system during peak periods," said President of the Energy Savings Industry Association, Mr Rod Woolley.

Electricity customers will now be further rewarded by the PDRS for choosing appliances that are able to consume less energy during peak demand periods. For example, at the height of summer when air conditioners are guzzling power and other appliances can be set to run off-peak like pool pumps and washing machines.

"We call on the government to enable approved energy installations and retrofits to be eligible for discounts *as soon as possible* so customers can start taking advantage of the energy savings and emissions reductions that smarter technologies can provide now.

"This would provide a big kick to the COVID-19 pandemic recovery and provide tangible dollar savings and improved home comfort to thousands of homes and businesses across the state. This is especially relevant as we head into another hot summer with many families and businesses working and studying from home."

The PDRS will start with a modest first year (2022-2023) target of 0.5% of peak electricity demand and then rapidly increase to 10% by 2030. The scheme is part of the NSW government's Energy Security Safeguard which also includes the highly successful Energy Savings Scheme (ESS) which has been legislated to 2050.

Emerging technologies will be supported with funding

Several ESIA members are at the forefront of emerging technology research and development, investing heavily in innovation that is dramatically reducing energy consumption.

"We welcome the NSW government's commitment to support and pilot new technologies faster. We need rapid impetus to ensure customers can make more energy efficient choices sooner, because often installations stay in place for decades," said Mr Woolley

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Reference websites

NSW Peak Demand Reduction Scheme Regulations

<https://legislation.nsw.gov.au/view/pdf/asmade/sl-2021-552>

NSW Energy Security Target and Safeguard <https://www.energy.nsw.gov.au/government-and-regulation/consultation/energy-security-target-safeguard>

Energy Savings Industry Association: <https://esia.asn.au/>

ESIA Members <https://esia.asn.au/members>