

## **GOANNA ENERGY CONSULTING – JUNE 2010 NEWSLETTER**

### **RE-CONTRACTING SAVES GOANNA CLIENTS OVER 30%**

Since the peak reached in early 2009 the Tasmanian market for forward electricity contracts has declined substantially, for some periods prices are down by more than 40% from the 2009 peak. This situation has kept us very busy, not only with Tranche 4 contracting, but also re-contracting our clients from previous Tranches. Many of our largest clients have interpreted these market conditions as a "buying opportunity". Goanna have helped these clients lock in contract extensions, which for some have represented savings in excess of 30% on previous prices. Contact us to find out more.

### **TASMANIAN REGULATOR APPROVES NETWORK TARIFF INCREASES**

On the 21 May 2010 the Regulator approved Aurora Energy Distribution's 2010-11 Network Tariff Pricing Proposal. Network Use of System (NUoS) costs will now make up around 50% of the average Tasmanian electricity bill. **The approved network tariff pricing, which will apply to contestable contracted customers from 1 July 2010**, includes an 18% increase to Network tariff N02 (small) business tariff, a 12-15% rise to N09 kVA Demand tariff and a whopping 18-25% increase to the recently introduced "poster" tariff N13b, now used by most of the recently contracted Tranche 4 customers.

Large customer Specified Demand Tariff N10s (<2MVA) will also increase by some 8% on demand charges and 25% on energy charges. The approved Network tariff pricing also includes an 18% increase to most residential network tariffs.

### **HOW CAN GOANNA SAVE ME MONEY WITH NETWORK TARIFFS RISING?**

Knowing the 2010/11 Network Tariffs, **right now is the best time of year** to have Goanna conduct "**Network Tariff Optimization**" for each of your contestable sites. Whilst previous network tariff decisions may have been sound, the Tariff re-balancing which has occurred may have changed the relative value. Combining this with any recent operational changes can deliver quite different outcomes. Making the right network tariff choice now, these optimal rates will apply for up to twelve months before the next regulatory pricing period. Network Tariffs operate independently to your energy contract. **Irrespective of what energy contract you have signed, we can help you elect the least cost network tariff.**

We also offer **contestable market monthly bill checks** designed to ensure what you are paying is what you have agreed to in your contract. Whether these checks are carried out on your first contestable invoice, when network tariffs change or upon your annual contract price increment, it is important to be sure prices and other factors are applied correctly.

## **ARE YOU MAKING SMART USE OF YOUR NEW SMART METER?**

For the first time in Tasmanian history over 2,000 of our largest electricity users now have access to 15 minute consumption data ("interval data" in industry jargon) from their new "smart" electricity meters. Only 5 short years ago this sort of information was generally only available to those Tasmanian businesses who had commissioned an energy auditor to install data logging equipment to identify their "load profile".

**Now that we have smart meter data, what should we do with it?** Using this 15min data Goanna produce simple graphical information to facilitate a healthy discussion on how you are using your energy. The two most common opportunities for savings are "**Background Load**" and "**Maximum Demand**".

**Background Load:** Whether it is your home, office or factory, looking at the 15 minute graph of **how much energy is being used while you're away** or outside of normal working hours is normally embarrassing for the first time. Let's face it, for many of us the historically low cost of energy, combined with the fact that you often can't hear or see energy being used, means out of sight is out of mind. But with the well publicized environmental impacts and rising costs, blissful ignorance is a long gone luxury.

**Maximum Demand** or "MD" is the second piece of information we look at. MD is the "**maximum consumption at any given point in time**" and whether or not your MD translates into a direct or indirect cost penalty depends upon which Network tariff you are on. But in any event, Maximum Demand is the sole determinant of how much infrastructure must be built, operated and maintained, to ensure we can all be supplied energy reliably. To meet the entire system "maximum demand", all of us carry these costs either through the direct cost of a maximum demand tariff, or through higher overall costs of non-demand tariffs. **So contact us to find out how to make smart use of your new smart meter!**

## **WINTER IS THE TIME FOR ENERGY AUDITS AT GOANNA**

Whilst industrial customers with a steady energy load can plan their energy audits at any time of the year, in Tasmania we recommend Health & Aged Care, Commercial businesses, and those with high comfort heating loads, plan their energy audits during winter. This way we uncover the big cash gobblers.

Murray our accredited Energy Auditor says, "**Winter is the time you can actually see the appliances in action and observe the behaviors that chew up the energy dollars.**" So much more than an energy report, which feels good but achieves little, **Goanna Energy Audits identify real initiatives to make real savings.**

Our energy audits are tailored to suit your business's needs including:

- Targeting the appropriate level of audit, from Walk thru to a full detailed audit and implementation plan to ensure the best value;
- Detailed Smart meter data review and 13 point contestable bill check;
- Network Tariff Optimisation & recommendation service;
- Peak demand assessment and commentary;
- Background load review;
- Seasonal energy budget forecasting;
- Energy efficiency and Staff awareness training; Eco-Mapping;
- Estimated savings, implementation costs and payback periods;
- Priority project implementation plans;
- Help obtaining competitive quotes for the right equipment;

Murray will be concentrating his onsite audits during late July and August, to **start saving money, telephone us to book in your energy audit now.**

### **FREE ENERGY AUDIT & \$600 REBATE FOR CLARENCE BUSINESSES**

Be one of 10 local businesses to take advantage of the "Managing Energy in Local Business" program run by Business East through the State Government ClimateConnect Program. Goanna Principal Consultant Marc White will be presenting information on the National Electricity Market, contestability in Tasmania and the impacts on local businesses.

To be eligible for the free energy audit and \$600 rebate, Clarence businesses must complete the Expression of Interest at <http://www.ccc.tas.gov.au> So join us at the Bellerive Yacht Club on Thursday 8th July at 5.30pm to 6.30pm. RSVP 6244 8005 or email [businessseast@bigpond.com](mailto:businessseast@bigpond.com)

For more information please contact **Marc White**, Principal Consultant on (03) 6223 7253, Mobile 0418 596 162 or visit [www.goannaenergy.com.au](http://www.goannaenergy.com.au)

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Dated 19 June 2010