

Questions for Stakeholders

1. Do you support the proposal to mandate compliance with AS/NZS 4755 for the nominated priority appliances? Please give reasons.

A: Yes, However only for AS/NZS4755.3.1 (2012 Variation)

2.

- a. Is there any viable alternative options for meeting the objectives of the proposal, apart from the BAU case or mandating compliance with AS/NZS 4755?

A: None. The Energex program has been running well without any mandating

- b. Do you agree that including demand response capabilities on energy efficiency labelling and voluntary compliance with AS/NZS 4755 is not a viable alternative option?

A: They are already very busy labels and hard for consumers to interpret

3. Do you support:

- a. permitting compliance with either AS/NZS 4755.3 or (DR) AS 4755.2?

A: No

- b. requiring compliance with all Demand Response Modes (DRMs)?

A: No

4. Do you agree with the scope of the proposal:

- a. air conditioners: up to 19 kW cooling capacity;

A: Yes – Only for models that are used in homes/apartments by consumers

- b. pool pump-unit controllers;

A: N/A

- c. electric storage water heaters (excluding solar-electric and heat pump water heaters);71 and

A: N/A

- d. charge/discharge controllers for electric vehicles (SAE Level 2 or IEC Mode 3).

A: N/A

- e. If not, what products (or capacity limits) would you propose be included or excluded, and why?

5.

- a. Do you have information that demonstrates the ability of so-called “smart home” devices and systems to achieve automated demand response for the appliances within the scope of this proposal? If so, please provide this information and specify which particular “smart” devices? (Please be specific with regard to the capabilities you envisage for such devices or systems, and whether you would expect them to conform to any particular standards).

- b. Would adoption of proprietary “smart home” systems undermine the benefits of peak demand reduction into the future?
 - c. How many products currently on the market have the ability to connect to demand response programs? If so, which or what type of programs?
A. We are aware of air conditioners capable of modes 1, 2, 3.
 - d. Is there a risk that a mandatory AS/NZS 4755 standard may become obsolete as new technologies/innovative products achieve the same objectives without using AS/NZS 4755?
A. Yes – The market will dictate this
6. What is your estimate of how much complying with the requirement will increase the price of each product? If a product complies with DRM 1, are there any additional costs incurred for a product to comply with the other DRM modes?
A. Additional cost for adding DR interface is about AU \$7.5/model (rate:72yen/AS\$)/
However, this cost would increase expansively if we were to comply to AS/NZS4755.2
7. Are the data and assumptions used in the cost-benefit estimates reasonable? Do you have information or data that can improve these estimates?
8. Do you think the estimates of activation rates and costs are reasonable? Do you have information or data that can improve these estimates?
9. Do you think the estimates of annual participant costs are reasonable? Do you have information or data that can improve these estimates?
10. Is lack of demand response capable products a barrier to the introduction of demand response programs for small consumers? Do you think that mandating demand response capability for these products will lead to their activation and to consumer enrolment in DR programs?
A. No. ESPs capabilities & plus consumer awareness.
11. It is assumed that the cost of communications platforms to support demand response and direct load control services will be low (e.g. through the use of existing electricity supply infrastructure such as ripple controls or smart meters, or general infrastructure such as WiFi or 3G/4G/5G). Do you agree? If not, can you provide estimates of the platform set-up costs?
12. What implications (positive or negative) would the proposals have for your industry, in terms of activity, profitability and employment?

- A. Fujitsu's products are already DRED capable to AS/NZS4755.1.3 2012 so won't affect much on production cost. However, DR interface on some of our models are optional part/ additional accessory that is not built-in to the product and is sold separately. In the consultation paper it was stated that DR interface should be built-in to the appliance. We need 2-3 years to incorporate the DR interface to our model range.
13. What can appliance suppliers, installers and energy utilities do to facilitate customer enrolment in direct load control or demand response programs?
- A. Can contribute on consumers awareness. As manufacturer/supplier we can include DRED information in our product brochures and flyers.
14. Do you think the proposal would reduce competition among product suppliers, reduce consumer choice or lead to an increase in product prices (beyond what is expected to occur)?
- A. Can contribute on consumers awareness. As manufacturer/supplier we can include DRED information in our product brochures and flyers.
15. If the measure is implemented, what is the earliest feasible date by which products could comply? How much lead time should there be after publication of the final requirements?
- A. It will take 2- 3 years to realize DR interface to models up to 19 kW.
16. Do you consider that there are any major technical or functional issues related to the proposal? If so, how should these be addressed?
17. How should the changes in demand or energy during DR events involving AS/NZS 4755-compliant products be measured? What would be the notional "baselines?" Is the estimation of baselines more or less reliable than for other DR approaches?
18. How will the proposal impact on electricity prices and energy network costs and investment requirements?
19. Do you think that the effectiveness of the proposal depends on the implementation of more cost-reflective pricing, e.g. time-of-use (TOU) tariffs?
20. In regard to the regional aspects of the proposal do you consider that it would provide significantly more benefits in certain regions? If so which ones? Will any regions be largely unaffected? If so which ones? What causes these differences in impacts between regions?
21. (To electricity network service providers, electricity retail companies and DR aggregators specifically).
- a. ~~Is it your company's intention to offer tariff or other incentives for customers to have demand response capabilities on the appliances in question activated and to participate in demand response programs? Are there any specific barriers (or lack of incentives) that would prevent your company from offering and promoting such programs?~~

- ~~b. Would you offer tariff or other incentives to customers to participate in demand response programs using “smart home” device functionality? (if so, please specify the type of functionality/ies). Are there any specific barriers (or lack of incentives) that would prevent your company from offering and promoting such programs?~~
- ~~c. In your opinion, what proportion of householders with appliances with the above type of “smart home” device functionality/ies will participate in demand response programs? Do you have survey or other evidence to support your view?~~
- ~~d. What would be the total MW of appliance demand response capability (or number of participating appliances) required to defer the need for network investment to manage peak demand in your area/s of operation?~~
22. In your opinion, what proportion of householders with AS/NZS 4755-compliant appliances will have the demand response capabilities activated and will participate in demand response programs? Do you have survey or other evidence to support your view?
23. (To consumer and welfare organisations). ~~In your opinion, what measures should be taken to ensure that consumers are adequately informed of the potential costs, as well as the benefits, of entering contracts that enable the demand response capabilities on their appliances to be activated?~~
24. (To electricity market regulators). ~~Do you consider that the regulatory arrangements provide utilities and potential DR aggregators with sufficient incentive to offer (or commission) small-consumer demand response as a means of reducing investment in supply-side infrastructure?~~
25. How do existing electricity market rules which enable and encourage DNSPs and TNSPs to invest in demand response programs impact on, or interact with the proposal?
- 26.
- a. How would changes to electricity market rules (the Retailer Reliability Obligation and the wholesale market demand response mechanism draft determination announced by the AEMC) impact on or interact with the proposal?
- b. Would a new class of DR aggregators make use of AS/NZS 4755 DR platform? If so, why. If not, why not?
- c. Would the potential AEMC wholesale demand response mechanism be material to the benefits of mandating AS/NZS 4755 for the four selected appliances? Why or why not?
- d. Would the benefits of deferring investment in network capacity from the wholesale demand response mechanism changes announced by AEMC also reduce the network investment benefits attributable to mandating AS/NZS 4755?
27. Could an option for Government to require utilities or independent DR service providers to offer incentives, or have the Government fund these incentives, achieve the same benefits as the mandatory standard but at a lower overall cost to the community?

28. (To manufacturers and distributors of the products in the scope of this proposal). What percentage of the products you sold in Australia and in New Zealand in the last year:
- a. Meet the minimum requirements of the relevant part of AS/NZS 4755;
 - b. Meet additional requirements (e.g. additional DRMs); and
 - c. Comply with other published DR standards (please state which)?