



# Climate Change and Greenhouse Emissions Reduction (Miscellaneous) Amendment Bill 2024

Leveraging CER to Combat Climate Change

Chris Lehmann & Georgia Holmes 05 April 2024

Master Electricians Australia (MEA) is the trade association representing electrical contractors recognised by industry, government and the community as the electrical industry's leading business partner, knowledge source and advocate. Our website is <a href="https://www.masterelectricians.com.au">www.masterelectricians.com.au</a>

MEA supports the *Climate Change and Greenhouse Gas Emissions (Miscellaneous)*Amendment Bill 2024 (the Bill) and in particular its revised targets under cl 4. Whilst we appreciate the Bill is focused on revising targets and the administrative side of achieving these (i.e. reporting guidelines for establishing policies and plan (cl 9), climate change risk assessment (cl 10) and plans prepared by public sector entities (cl 10)), we strongly urge the implementation and integration of consumer energy resources (CER) and Vocational Education Training in Secondary Schools (VETSS) to be a core priority in any plans prepared by public sector entities under cl 10 to sustainably achieve the cl 4 targets.

MEA promotes CER as a fiscally responsible response to tackling climate change which promotes sustainable economic growth through reduced energy bills and greater employment opportunities.

South Australia (SA) needs a sustainable and skilled workforce for the installation and maintenance of CER infrastructure, which is why we have consistently argued in numerous submissions that bolstering VETSS curriculum is the likely key solution<sup>1</sup>. Streamlining and integrating VETSS with an equal weighting to Australian Tertiary Admission Rank (ATAR) will cultivate early exposure to Science, Technology, Engineering, and Math (STEM) trades, likely leading to increased interest and retention in the clean energy sector workforce.

#### CER

#### What is CER?

CER are numerous privately owned assets used to naturally generate, store and utilise energy in the most efficient manner making them the obvious strategy towards reducing net greenhouse gas emissions and achieving 100 per cent renewable energy. Implementing CER relieves the need to invest in as many big generation and transmission projects, whilst utilising the existing infrastructure (existing poles and wires in our cities and towns) that the community has cumulatively paid for over the last century.

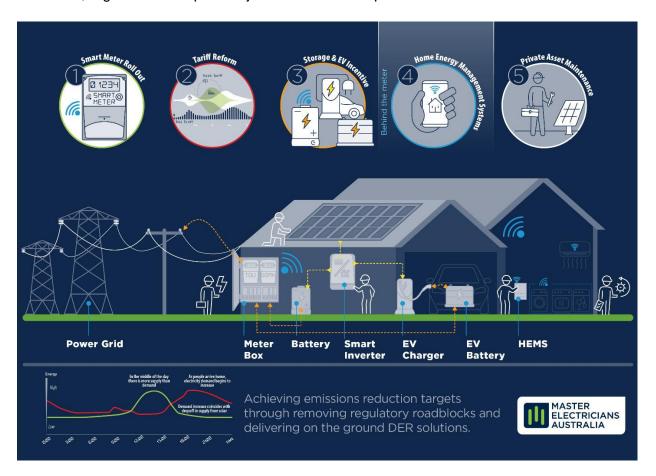
#### Examples of CER include:

- Rooftop solar photovoltaic units (Solar PV)
- Battery storage
- Electric vehicle (EV) batteries.
- Home Energy Management Systems (HEMS)

Consumers gain the ability to take control of their energy and enables domestic and commercial and industrial (C&I) customers to enter into trading arrangements that time shift loads, using power (soaking) when it is cheapest for flexible loads (hot water, ovens, EV charging, etc) and delivering power back (sourcing) from storage sources (batteries, bi-directional EV's) when energy prices are higher, giving households and businesses the ability to pro-actively reduce their overall power costs. This assists in providing sustainable economic growth as energy bills will be reduced thereby increasing household disposable income.CER external load control should be limited to flexible loads while the traditional network should continue to be utilised for inflexible loads (i.e., fridges, life support, etc).

<sup>&</sup>lt;sup>1</sup> Chris Lehman & Georgia Holmes "Queensland VET Consultation – 2023" Master Electricians Australia (07 July 2023) > https://masterelectricians.com.au/wp-content/uploads/MEA-Submission-Qld-VET-Strategy-Consultation-July-2023.pdf >

The dream of changing the energy demand curve (the so called "ducks back") by taking the excess/cheap energy produced in the middle of the day, and using it during times of peak demand, thereby flattening the demand curve and stabilising electricity prices can be realised in a reasonably short time period if we make some rational, sensible decisions. The technology is here now, regulations and policies just need to catch up.



# **Digital Smart Meters**

Digital smart meters provide consumers with the measurement infrastructure, designed to promote choice and efficiency in the delivery of energy to the end point consumer. Unlike traditional meters, smart meters allow for real time measurement and control of energy use. MEA believes these are necessary for achieving SA's commitment towards reducing net zero greenhouse gas emissions and achieving 100 per cent renewable electricity generation (as per cl 4).

MEA contends that there should be scope for licenced electrical workers to be trained and recognised as Accredited Service Providers (ASPs) and used to y replace traditional meters with smart meters during the course of their daily tasks. Currently only Retailers using contracted Metering Service Providers perform this work, creating bottlenecks and delays in transitioning all consumers to smart meters. This would reduce connection times, improve consumer experience, reduce smart-meter roll out costs and help facilitate a swifter transition to a responsive electricity grid that can take advantage of CER policies.

#### Solar PV

Solar PV is becoming increasingly popular amongst residential and commercial buildings thereby making it easier for SA to implement solar installation. We recommend such policies are introduced in concert with home battery and EV charging requirements.

A concerted effort should be made to maximise efficient use of the large stocks of rooftop solar already in the market to shift the oversupply of generation during the day, to peak usage times in the early evening.

We recommend licenced electrical contractors with a Cert IV in PV and Solar Accreditation Australia (SAA) endorsement are used to provide homes and businesses with Solar PV installations and battery installations and vouchsafe the compliant installation of equipment.

#### **Home Batteries**

Home batteries are necessary to optimise CER's capabilities. These enable consumers to store self-generated energy (from Solar PVs) and either soak or send back to the grid during peak demand times. We recommend government provides incentives designed to offset installation costs.

Licenced, trained and insured electrical contractors are the essential workforce needed to install batteries for consumers.

## Home Energy Management Systems (HEMS)

HEMS enable consumers to remotely control smart technology appliances. When paired with digital smart meters, consumer choice is optimised. Integrating incentive polices for households and businesses to adopt HEMS could have a rapid and significant impact on SA's net greenhouse gas emissions and renewable energy targets. It is a powerful companion to tariff reform and home battery strategies to improve energy efficiency, time shift energy, reduce net greenhouse gas emission and achieve 100 per cent renewable energy across SA.

There are relatively inexpensive plug and play system that a homeowner can install, or more comprehensive solutions that can be wired to control fixed loads such as hot-water and air conditioning and integrate their use with solar production. There should be legislative recognition that the more comprehensive options must be installed and set-up by a licenced electrical contractor.

# Electric Vehicle (EVs)

EV policies will assist in achieving SA's greenhouse gas emissions and renewable energy targets. This will, however, naturally present challenges and opportunities for the electricity grid. An increase in EVs will see significantly more renewable energy production required to service energy needs. Conversely, it will also mean that existing oversupply of solar PV capacity during daylight hours will have the ability to be soaked and the possibility of being dispatched during times of need.

We recommend introducing bi-directional charge enabled vehicles as an option for consumers which will provide the benefits of soaking load for periods of daytime oversupply and be a dispatchable reservoir of power during periods of undersupply.

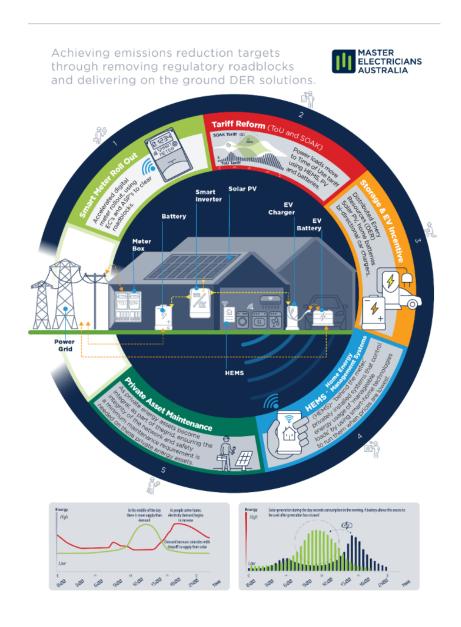
Installation of EV infrastructure in homes and businesses in concert with HEMS for residential buildings and Building Management Systems (BMS) for commercial businesses would increase the stability of the network.

Licenced and trained electrical contractors should be at the forefront of delivering this capacity.

#### **Private Asset Maintenance**

If the grid is going to become reliant on CER, then minimum standards of safety and reliability on anyone receiving Feed in Tariffs (FIT). Increased prevalence of DC isolator failures, high penetration of solar PV systems and the expected increase in the installation of home batteries and vehicle chargers makes it necessary to ensure that these assets are safe for consumers and reliable for the stability and capacity of the grid.

MEA recommends including mandated inspections on grid connected solar and battery systems receiving FIT. Performance of these inspections should be legislatively restricted to licenced electrical contractors every five years. We suggest funding of inspections is covered by levying a monthly fee on consumers' electricity bills and administered by the retailer.

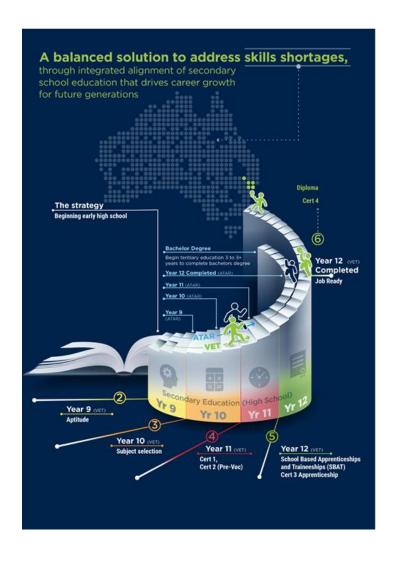


# **Vocational Education Training (VET)**

Achieving sustainable success in CER necessitates a skilled and enduring workforce capable of proficiently installing and maintaining clean energy resources. However, Australia is currently facing a skills shortage crisis. Throughout many submissions, MEA have strongly advocated that integrating Vocational Education Training in secondary schools (VETSS) with an equal weighting to Australian Tertiary Admission Ranking (ATAR) rankings is one of the key solutions to both gender diversity and skills shortages issues. The current schooling system moulds students to fit an academic structure, leaving behind those who are unwilling or unable to conform. Providing exposure and targeted training provides all students equal opportunities for future success by providing a supportive and encouraging environment.

The benefits of VET secondary school courses include better equipped personnel entering the workforce, enhanced aptitude and competency screening, heighted attraction and retention and greater diversity in the workplace through early exposure in a supportive environment. MEA sees this as a pivotal tool in supporting societal, structural and systemic change with regards to non-traditional cohorts entering trades. There are well established pathways in VET to attain higher qualifications at Diploma and Advanced Diploma level, satisfying pre-requisites and RPL for Tertiary Degree qualifications.

Investing in the youngest generation today is crucial for cultivating tomorrow's workforce and ensuring the success of any renewable energy initiative.



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# Conclusion

MEA supports the Bill as it will continue to champion significant action towards reducing greenhouse gas emissions and achieving 100 per cent renewable electricity generation. While we appreciate this Bill does not cover specific polices to implement action towards the cl 4 targets, we have used it as an opportunity to emphasise what we believe should be a core priority for a public sector entity to consider.

CER assets provide a climate resilient and adaptive solution to reducing greenhouse gas emissions and achieving 100per cent renewable energy generation. As privately owned self-generating clean energy assets, they have the ability to store excess energy and be utilised in the event of power outages. Consumers gain control over the utilisation of their energy which, when combined with HEMS and home batteries, makes CER a powerful tool in significantly reducing consumer energy bills.

With increasing population and uptake of EV, enabling bi-directional EV charging will not only decrease grid demand pressures, but will also address public and private charging facility capacity issues.

MEA emphasises the vital role licenced electrical contractors have within CER integration. It is a ready workforce with the necessary base skills to perform a wider cohort of these functions. The electrical contracting industry will assist with accelerating the roll-out of CER infrastructure and MEA stands ready to assist SA government in addressing these challenges.

To ensure there is a pipeline of skilled workers in the future to support the implementation and maintenance of CER, we strongly recommend SA Government integrates and streamlines VETSS with an equal weighting to ATAR. This will expose STEM trades to a wider cohort, inherently increasing diversity in trades, enhancing apprentice commencement and retention rates and allow for greater aptitude and competency screening to better match the right skills with the right trade.

We look forward to seeing the future of SA's climate change initiatives and would like to be part of any future discussions regarding CER and workforce development topics.