



Senator Sarah Hanson-Young
Chair
Select Committee into Fair Dinkum Power
PO Box 6100
Parliament House
Canberra ACT 2600

1 February 2019

Dear Senator

Thank you for the opportunity to provide input to the Select Committee into Fair Dinkum Power.

Deakin University is experiencing the energy cost and sustainability pressures affecting all energy consumers. The University's response has been to systematically research and address issues surrounding energy generation and distribution, including the issues highlighted in the Terms of Reference of the Committee. Based on this experience, it is clear that there is significant potential for consumers to play a more important role in electricity management.

Deakin University has the aspiration to be carbon neutral by 2030. Actions described in Deakin's sustainability program (<http://www.deakin.edu.au/about-deakin/values/sustainability>) mirror those being taken by consumers generally. Where Deakin sources our electricity and how we consume this energy is a key component of achieving our carbon neutral objective at an affordable cost. Consideration of moving from traditional electricity procurement, i.e. purchase from an electricity retailer, to a model where the University self-generates and procures directly through arrangements such as a Corporate Power Purchase Agreement, has required significant investment in raising corporate knowledge to levels where robust, accurate decisions can be made.

For consumers to have genuine power in making decisions about energy, their knowledge, knowledge within regulators and an informed sector workforce must develop. The University sees its role in education as a critical component of the transition to a new energy environment. I encourage the Select Committee into Fair Dinkum Power to consider knowledge gaps and remedial actions for each of the Terms of Reference. Undergraduate and post-graduate courses across the University, including engineering, science, information technology, humanities, business and law all incorporate relevant aspects of energy generation and use.

It is clear that there is not a 'one size fits all' solution to how consumers and businesses purchase and use electricity in a changing energy market. Individual residential and SME consumers are most exposed to making inefficient and ineffective decisions due to lack of knowledge or ability to analyse these very complex topics. Moving away from the traditional procurement model because technology or regulation enables this change may not bring tangible value to consumers.

I wish to bring to the attention of the Committee a specific action of the University that provides a case study example of a consumer's role in electricity markets. Deakin University, in partnership with AusNet Services, is building a 7.25 megawatt renewable energy microgrid on our Geelong Waurin Ponds Campus (<https://www.deakin.edu.au/microgrid>). This investment is anticipated to supply 50 per cent of the energy needs for the Campus, reduce emissions by some 12,000 tonnes per annum and manage energy costs whilst providing our researchers, industry stakeholders and the community opportunities to explore renewable generation, cybersecurity issues, grid stability technologies and to analyse alternatives to the conventional network. The project has focussed attention on demand management and energy efficiency to maximise benefits. The project is a key example of Deakin University's holistic approach to the energy sector, led by our initiative Deakin Energy.

I invite the Committee to draw upon the University's experiences in this project and more broadly. The University would welcome the Committee to undertake a tour of the Geelong Waurin Ponds Campus during your deliberations.

Yours sincerely

Professor Jane den Hollander AO
Vice-Chancellor