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South Australia leading the way with energy-smart homes

500 South Australian households are set to go energy-smart in a new project announced by the Australian Renewable Energy Agency (ARENA) and electricity distributor SA Power Networks today.

On behalf of the Australian Government, ARENA is providing \$6.2 million to SA Power Networks' 'Energy Masters' project.

The \$13.8 million project will see SA Power Networks install consumer energy resources (CER) and smart energy appliances in 500 homes, with energy use optimised by a home energy management system (HEMS), in an Australian first demonstration of aggregated flexible demand in residential settings.

The project will pioneer the coordination of residential CER and smart appliances to better match energy use to supply and respond to market signals, shifting households' energy use away from peak demand periods.

ARENA CEO Darren Miller said the project would demonstrate the value flexible demand can offer households, in a market saturated with renewable energy.

"South Australia has led the world in terms of variable renewable energy penetration, so it's a perfect setting to trial how flexible energy use can complement a high share of renewable generation," Mr Miller said.

"We're working with SA Power Networks and the South Australian government to trial the coordination of CER in a real world setting while unlocking value for participating households, and look forward to seeing the outcomes of this trial and how its findings can be replicated across Australia."

Households will receive subsidies to implement different levels of electrification within their homes, with devices including smart split-system air-conditioners, heat pump hot water, and smart EV chargers. Households will also be provided with a HEMS to enable optimisation of their home energy use.

The Government of South Australia has partnered with SA Power Networks for the project and will lead household engagement and recruitment, as well as providing higher subsidies for low-income and energy hardship households to participate in the trial. Electricity retailers EnergyAustralia and Amber will develop tailored retail offers that leverage the benefits of retail and network flexibility, maximising benefits to customers.

In return, households will participate in a research program led by RACE for 2030, that will help demonstrate the value of energy-smart households and provide valuable information about device interoperability to inform the development of national standards.

Enabling flexible demand at scale through the electrification and development of energy smart households is expected to play a significant role to help manage peak demand, avoid network augmentation costs and reduce costs for all consumers.

SA Power Networks CEO Andrew Bills said, "the customer focus of the pilot is exciting. We recognise the energy system is complex, so the pilot will seek to identify how we can overcome that for the benefit of customers in a way that will also enhance the way we manage our network.

Much of the technology is available today but we need to identify how we bring together government incentives, retail offers, energy-smart appliances and energy management systems in a way that is understandable and attractive for energy customers."

The South Australian trial builds on ARENA's existing portfolio of residential energy projects including Project Edge in Melbourne and Western Australia's Project Symphony.

Expressions of interest for Energy Masters will open in the second half of 2024, with the project due to run until 2027.

ARENA media contacts:

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For more information
arena.gov.au

Full list of project partners:

- Project Lead: SA Power Networks
- Household Engagement Partner: Government of South Australia, Department of Energy & Mining
- Research Partner: RACE for 2030
- HEMS Technology Partner: Clipsal Cortex
- Installation Partner: MAC Trade Services
- Energy Retail Partners: Amber Electric and EnergyAustralia
- Delivery Partner and Finance Provider: Plenti

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**For more
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