

ENERGY RISKS & OPPORTUNITIES

Yarra Valley Water's approach to Volatile Energy Markets



HOW DO WE CONSUME ENERGY?

Yarra Valley Water consumes 27.5 GWh electricity from the NEM at 379 sites:

- **38 Large Market** - interval meters and variable unbundled charges
- **217 Small Market** - range of interval and basic meters and variable bundled charges
- **124 Unmetered** - no meters and fixed charges

What energy opportunities exist at these sites?

- **Large Market** - Pool Pricing, Demand Response, Energy Efficiency & Renewable Energy
- **Small Market** - Energy Efficiency & Renewable Energy
- **Unmetered** - Renewable Energy



POOL PRICING & DEMAND RESPONSE

What are we doing?

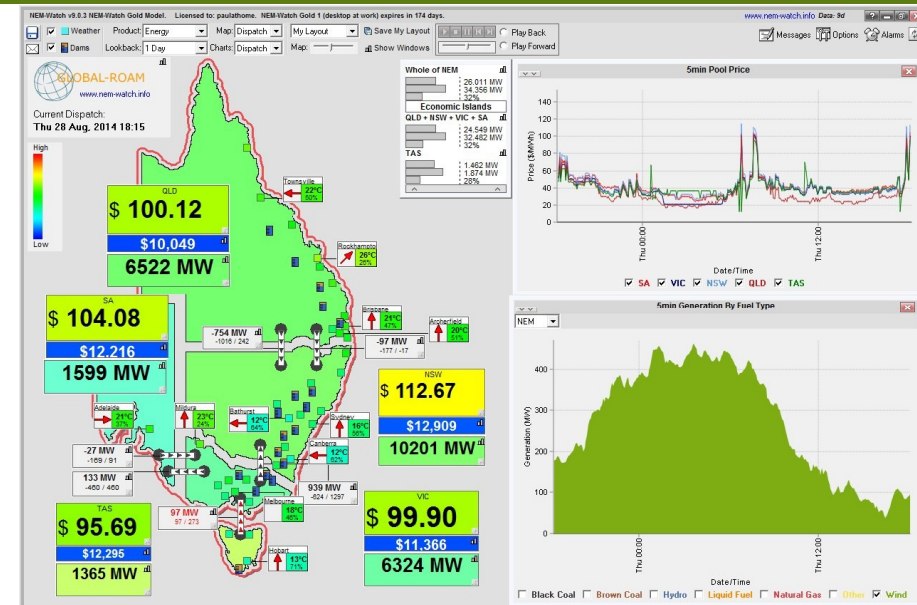
- 6 of our largest sites exposed to Pool Prices
- Generators used for Demand Response at 19 sites

Why do we do this?

- Pool Prices will typically deliver lower costs
- Demand Response to avoid high Pool Prices
- Demand Response to avoid network CPD charges
- Demand Response to assist in network stability

Threats, risks & opportunities

- Business as usual delivers higher costs
- Non Demand Response can lead to significant costs
- Managing our own risk leads to lower electricity costs



ENERGY EFFICIENCY & RENEWABLE ENERGY

What are we doing?

- Efficiency to reduce consumption by 5-10%
- Generating 100% of our requirement by 2025

How will we get there?

- Energy Efficiency Program
- Waste to Energy 1 & proposed 2
- IWN Large Scale Renewable Energy Project
- Behind the Meter Solar PV

Threats, risks & opportunities

- Non action will cost more in long run
- Bad decision making leads to poor outcomes
- Technology is maturing and becoming cheaper

