

17 April 2018

Mr John Pierce
Chair
Australian Energy Market Commission
PO Box A2449
Sydney South NSW 1235

Consultation Paper – Register of Distributed Energy Resources (ERC0227/RRC0011)

Dear Mr Pierce

Energy Networks Australia welcomes the opportunity to provide a submission to the Australian Energy Market Commission's (AEMC) Consultation Paper on the '*Register of Distributed Energy Resources*'.

Energy Networks Australia is the national industry body representing businesses operating Australia's electricity transmission and distribution and gas distribution networks. Member businesses provide energy to virtually every household and business in Australia.

Energy Networks Australia and our members have been actively engaged in the consultation processes concerning the establishment of a DER register for Australia, and supports its establishment. The register will improve power system and network security and operation, through the collection and provision of better information on behind the meter DER.

Energy Networks Australia and our members are also generally supportive of network service providers (NSPs) collecting information about DER connected to their network, and providing this information for inclusion in the register as required. However, there are some issues concerning obligations for collection and provision of relevant data that we consider the AEMC need to consider as part of any proposed rule change. These include:

- Alignment of information collection with DNSP connection agreements for all new DER being connected to the system;
- Compliance of installers in providing the information required; and
- Legacy issues - DER already connected to the system.

Alignment with Connection Guidelines

In terms of ensuring alignment of information collection with DNSP connection agreements, Energy Networks Australia recommends that the detailed requirements for the collection and provision of relevant data for all future DER connected to the system be included as a requirement of the new National DER Connection Guidelines currently being developed by Energy Networks Australia. The development of a set of nationally consistent DER Connection Guidelines was identified as a key priority out of the CSIRO/Energy Networks Australia "*Electricity Network Transformation Roadmap*" (ENTR). These guidelines are being

developed to help streamline the technical requirements for connecting DER across NSPs and making it easier for proponents to connect (including the specification of the information to be provided by all proponents).

Provision of Data by Installers/Owners

However, while Energy Networks Australia considers that the National Connection Guidelines will make the data collection process easier and more streamlined, it will not ensure provision of the required data by installers and/or owners of the DER. Energy Networks Australia considers that for NSPs to provide information on DER installations to the proposed register, it will only be possible if compliance with current connection agreement processes by installers and/or owners can be assured. We therefore consider that the AEMC should not put any mandatory obligations on networks to provide information to the proposed register without also putting some level of obligations on the installers or owners of the DER as well.

Energy Networks Australia's members report that the current distribution connections agreement process is only capturing typically about 30 per cent of DER installation information. Our member companies report that this rate can vary between 5 and 50 per cent for different DNSPs. As such, we consider that the AEMC would need to introduce mechanisms that incentivise information provision or otherwise penalise installers who do not provide the required information as part of any proposed rule change.

To support stronger compliance incentives for customers or installers to report the installation of DER, it may be necessary to mandate a DER installer accreditation process. An appropriate representative industry association could potentially run the accreditation process that could be included within the Electrotechnology National Training package (UEE11). DER installers would potentially lose accreditation if they do not correctly follow the DNSP connection processes.

Without additional compliance measures of this type, Energy Networks Australia envisages that compliance with DNSP connection processes could remain at low levels into the future, possibly significantly reducing the value of the DER register.

DER Register Host

Energy Networks Australia is also supportive of the Australian Energy Market Operator (AEMO) as being the host of the DER register. However, moving forward to establish the register, we believe further consideration will be required on how the proposed DER register would fit within the wider data framework identified as an outcome of the Finkel review.

Access to information

The information collected and included in the DER Register could assist networks by:

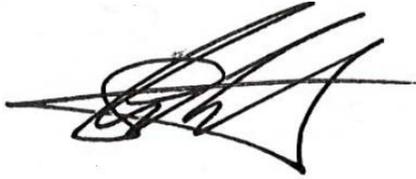
- » Enabling improved forecasting of long-term demand, that would assist network planning; and
- » Enabling improved forecasting of short-term energy flows; that would assist network operation.

Given the potential benefits of this information to network service providers, Energy Networks Australia recommends that the AEMC consider ensuring any rule change include provisions for NSPs to have access to information in the DER register, to enable them to

undertake their network operation and network planning functions in the most cost-effective and efficient manner.

Should you have any queries regarding this submission, please contact myself on (02 6272 1513 or at sjohnston@energynetworks.com.au.

Yours sincerely,

A handwritten signature in black ink, appearing to be 'S. Johnston', written over a faint, light blue dashed line that extends diagonally across the page.

Stuart Johnston
General Manager, Network Transformation