



7 August 2018

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

Lodged electronically: www.aemc.gov.au

Reference: ERC0227/RRC0011

Dear Mr Pierce,

Draft Determination on register of distributed energy resources

Origin thanks the Australian Energy Market Commission (AEMC) for the opportunity to comment on its draft Determination and draft Rule to establish a register of distributed energy resources (DER).

Origin considers the establishment of such a register may improve the visibility of distributed energy assets in the grid, which in turn, could improve the ability of:

- the Australian Energy Market Operator to operate the power system in the National Electricity Market; and
- Network Service Providers (NSP) to make network investment decisions.

While the AEMC notes the limitations with establishing a static register, updated annually, Origin agrees the cost and complexity of establishing a more dynamic register is not appropriate. A static register that includes information such as installed capacity and device specifications, however, may help improve the forecasting and system management for both AEMO and network businesses.

Our comments and observations predominately relate to how we see the register working in practice. While some of these issues will sit within AEMO's considerations when developing the *DER register Information Guidelines*, there are others which we believe warrant further clarification in the final Rule.

Define the scope of NSP *DER generation information* data request

Origin strives to deliver a timely connection experience for consumers connecting distributed energy assets to the grid. While NSPs are well placed to capture DER device information at the connection stage, it is important that further information requests do not introduce a disproportionately cumbersome or costly process for retailers and consumers.

The draft Rule seems to be missing a connection between the "standing data" generation information that the NSP can request from a connecting party and the information defined by AEMO in the DER Register Information Guidelines. The definition of *DER generation information* refers to "standing data in relation to a *small generating unit*". The amended clauses in chapters 5 and 5A refer to *DER generation information* that either the *Network Service Provider* or *Distribution Network Service Provider* requires. None of the clauses clarify that the *DER generation information* to be provided is that required under the *DER register information guidelines*.

As such, there is a risk that NSPs could impose overly expansive and burdensome data requests at this point in the connection process. While this may not be the case to start with, the current drafting

does not preclude it from happening in the future. The data requirements determined by AEMO in the register information guidelines will be subject to a public consultation process. Given the establishment of the DER register is creating this new information requirement, the NSP connecting party data request should be linked accordingly. We believe closing this loop is in the long-term interests of consumers.

We recommend the final Rule clarifies that the *DER generation information* required by an NSP or DNSP is limited to that defined by AEMO in the *DER register information guidelines*. The draft Rule clauses requiring this clarification include:

- draft Rule clause 5.3.3(c)(4a)
- draft Rule clause 5A.B.2(b)(7)(iv)
- draft Rule clause 5A.B.4(c)(1a)
- draft Rule clause 5A.C.3(a)(1)

Reporting aggregated DER capability

In considering how the *DER register* information provisions would work in practice, Origin considered the case of a multi-pronged solution like a virtual power plant (VPP). A VPP could include multiple assets and demand response capabilities across multiple providers and may span more than one distribution network. In principle, under the current proposal, NSPs would have responsibility for reporting to AEMO the standing data on the DER devices while the retailer or aggregator would have responsibility for reporting the demand response capability under the *Demand Side Participation (DSP) Information Guidelines*.

However, in some cases, the delineation between an NSP reporting requirement and a retailer one may not be clear cut. Multiple services may also be provided at the same NMI. It is also unclear what information should be provided to individual network businesses if the solution operates across more than one network. The AEMC should clarify how a provider can correctly report a solution that operates across multiple networks and the reporting requirements of both retailers and networks.

When developing the *DER register information guidelines*, AEMO will need to consider how it:

- coordinates multiple data sources for a single customer NMI;
- accounts for bundled assets, if appropriate;
- manages and reconciles the potential for duplicate or conflicting asset/capability reporting; and
- manages data provision to network businesses where solutions may span more than one geographical network.

We also recommend the AEMC include a requirement in the final Rule for AEMO to review the *DSP information guidelines* in parallel with developing the *DER register information guidelines*. Information collected under both will ultimately form the DER register and it is necessary that they work together. Concurrent reviews can make sure the Guidelines are fit for purpose and can help mitigate the risk of duplicate or conflicting reporting.

Please contact me should you wish to discuss any aspect of this submission further.

Yours sincerely,



Hannah Heath
Manager, Future Energy Policy
02 9503 5500 – Hannah.Heath@originenergy.com.au