



DER Integration rule change requests – Technical Working Group Meeting 2 – Updating framework – 28 September 2020

Meeting notes

The second working group meeting was held virtually on 28 September 2020. The attendees of the meeting are listed below.

Member	Organisation
Kurt Winter	AGL Energy, Melbourne
Alida Jansen Van Vuuren	Ausgrid, Sydney
Alexandra Sidorenko	Ausgrid, Sydney
Anthony Seipolt Lisa Beckmann	Australian Energy Regulator
Jon Sibley	Australian Renewable Energy Agency, Sydney
Claire Cass	CitiPower and Powercor
Kirrily Noonan	Department of Environment, Land, Water and Planning, VIC
Lucy Moon	Energy Networks Australia
Mark Majzoub	ENGIE
Anders Sangkuhl	Essential Energy, Queanbeyan
Eddie Thanavelil	Evoenergy
Linda O'Mullane	Hub Energy
Con Noutso	Lumo Energy
Lance Hoch	Oakley Greenwood
Tim Ryan	Ready.Energy
Dean Lombard	Renew
Bryn Williams	SA Power Network
Bruno Coelho	SA Power Network
Gavin Dufty	St Vincent De Paul Society, Victoria
Scott Lancaster	TasNetworks
Emma Fagan	Tesla, Melbourne
Mark Byrne	Total Environment Centre
Naomi Stringer	University of NSW

The AEMC's project team attended and is listed below.

Name	Position
Ed Chan	Director – Distribution and Transmission networks
Jashan Singh	Adviser – Distribution and Transmission networks
Rupert Doney	Adviser – Distribution and Transmission networks
Anthony Bell	Technical Specialist
Lily Mitchell	Senior Lawyer

All enquiries on this project should be addressed to Jashan Singh on jashan.singh@aemc.gov.au or 0452668090.

Purpose of the working group

The AEMC has formed the working group to seek stakeholder advice and input into the progression of the three rule change requests relating to efficient integration of DER integration:

- *Access, pricing and incentive arrangements for distributed energy resources* (ERC0311 and RRC0039)
- *Allowing DNSPs to charge for exports to the network* (ERC0310)
- *Network planning and access for distributed energy resources* (ERC0309).

At the start of the meeting the relevant paragraph from the AEMC's competition protocol for the working group was read out. A copy of the of the protocol (attached) was provided to each member of the group prior to the meeting.

The meeting comprised of:

- Short update on the rule change process
- Presentation from the AEMC on issues raised in the rule requests relating to recognising export services in the Rules
- Discussion on recognising export services in the Rules
- Presentation from the AEMC on treatment of export services under planning and investment framework
- Discussion on the treatment of export services under planning and investment framework
- Wrap up and next steps

AEMC presentation on recognition of export services in the rules

- The AEMC presentation outlined:
 - Rule change requests' proposal to expand the definition of distribution services to include export services and its impacts on the application of existing regulatory arrangements to export services
 - The AEMCs staff's initial policy consideration of the need to recognise export services
 - The potential regulatory implications of clarifying that export services are distribution services
 - Potential approaches to amending current definitions and their potential ramifications
 - Relevant questions for members to consider

Discussion on recognising export services in the Rules

- Some participants discussed whether the proposed definitional changes could lead to ambiguity.
- It was suggested by some participants that a different approach could be taken to amend definitions to more clearly recognise that DNSPs provide services to customers in relation to the supply of electricity to and from customers.
- Some attendees discussed the need for the changes in the rules to provide flexibility so they could cater for future market outcomes.
- The follow on impacts of recognising export services in the rules framework were discussed by some members.

AEMC presentation on planning and investment framework for export services

- The AEMC presentation outlined:
 - Overview of AEMCs staff's initial policy consideration on the proposed treatment of export services under the planning and investment framework

- Potential high-level options for supporting networks in planning for and investing in the provision of export services
- Analysis of the suitability of existing planning and investment frameworks for export services including for the assessment of DER related expenditure
- Relevant questions for members to consider

Discussion on planning and investment framework for export services

- Some participants discussed the potential benefits of and the need for DER related planning information being published at a single location
- It was suggested by some members that it was important to reflect the DER related information in the existing planning arrangements
- Some participants discussed the potential for non-market benefits to be considered in the investment framework
- The meaning of wider net-market benefits under the net market benefits test proposed in one of the rule change requests was discussed by some members
- Some participants discussed the interaction between the investment framework and the proposed changes to the pricing arrangements.

Next steps

- The project team thanked participants for their time and highlighted that the next working group meeting would cover Incentive arrangements for export services.