

14 September 2023

Anna Collyer Chair Australian Energy Market Commission 60 Castlereagh St Sydney NSW, 2000

Upload via AEMC website: ERC 0346

Dear Ms Collyer,

Re: Directions Paper – Unlocking Consumer Energy Resources Benefits through Flexible Trading – ERC 0346

Evoenergy welcomes the opportunity to provide a submission to the Australian Energy Market Commission's (AEMC's) Directions Paper on Unlocking consumer energy resources (CER) benefits through flexible trading.

Evoenergy owns and operates the electricity distribution network in the Australian Capital Territory (ACT) and gas distribution networks in the ACT and the Queanbeyan–Palerang Regional Council and Shoalhaven City Council local government areas of New South Wales.

Evoenergy supports the intent of the rule change proposed by AEMO and its objectives to improve flexibility and trading of CER. The rule change recognises that CER is a clean, reliable and efficient source of energy that needs some regulatory adjustment to be capable of being more fully utilised. Improved integration of CER in Evoenergy's low voltage electricity distribution network will be critical to achieving the ACT Governments net zero policy by 2045.

The rule change request notes opportunities to separately identify and manage flexible CER, and thus, optimise the value of CER to support networks. It seeks to do this by reducing barriers and costs to consumers to separately identify and manage CER. The ACT does not yet have a critical mass of smart devices, including smart meters to enable this, but is expected to in the future. Evoenergy supports the principles of the rule change proposal, which will provide value for consumers along with the distribution network as the roll out of advanced metering progresses in the wake of the AEMC metering review.

Optimising the value of CER flexibility

The AEMC's proposal seeks to test the value of optimising CER flexibility by examining opportunities to separately identify and managing flexible CER. Evoenergy does not support this being done via a second connection point at residential premises as the cost will be prohibitive for customers, with limited direct benefit to the network and additional costs passed on to all customers. Similarly, we agree with the AEMC's proposal and do not support multiple financially



responsible market participants (FRMPs) being able to offer services at the same residential premises.

Evoenergy also supports the view put forward in the submission from the Energy Networks Australia (ENA) that the potential benefits of any proposed model need to outweigh the costs.

Opportunities for flexible trading of CER with multiple energy providers at commercial premises

Evoenergy understands that it is becoming common for multiple energy providers to service different large customers at the same commercial premises on other networks. This approach is not common in the ACT, but Evoenergy supports further investigation of this option as part of the rule change process, as it is likely to enable greater competition and customer benefits.

Should you wish to further discuss matters raised in this submission, please contact Cameron Shields, at <u>cameron.shields@actewagl.com.au.</u>

Yours sincerely

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