24 July 2025

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Dear Matthew

Integrated Distribution System Plan Consultation Paper

We appreciate the opportunity to respond to the Australian Energy Market Commission's (**AEMC**) consultation on Energy Consumers Australia (**ECA**) proposed rule change request to introduce an Integrated Distribution System Planning (**IDSP**) framework.

We support enhanced network data transparency to aid planning and investment in consumer energy resources (CER), but believe further consideration is needed on how existing processes are already delivering many intended outcomes raised in the rule change request. Further improvements should build on current mechanisms rather than introduce changes without clearly defined benefits for consumers.

AusNet has commenced targeted expansion of published network data where it is demonstrably useful to stakeholders and the benefits outweigh the costs. However, we consider the current planning and data provision processes and incremental improvements to them are sufficient to deliver the outcomes we understand ECA is seeking. We do not believe substantive changes to the current framework proposed by ECA will deliver significant benefits to consumers, or represent an efficient use of resources.

Clarification needed on the gaps the proposed rule seeks to address

It would be helpful for stakeholders to better understand the specific issues or information gaps the proposed rule changed request is aiming to resolve. It is not clear how the proposed IDSP would address each issue raised by ECA.

The rule change request appears to raise several distinct data areas, each with different use cases and potential solutions:

1. Data to Support CER Customer Connections

This data is intended to help customers and communities identify optimal connection locations where there is available network capacity, and potentially reduced connection costs. AusNet already publishes this type of information and we are open to improving its frequency, consistency, and granularity where it adds stakeholder value.

We caution against an approach requiring publication of large raw datasets and recommend prioritising data at a level that provides actionable insights, particularly for community battery siting and electrification readiness. Data should be presented in formats such as heatmaps or summary tables which provide useful insights, rather than raw datasets, which are costly to host and often lack practical value due to the difficulty in interpreting the data, or putting it into the appropriate context.

We have observed increasing demand for low-voltage (LV) network data from communities exploring local energy solutions. These requests often align with the datasets proposed in section 3.1.2 of the consultation paper. As a result, we have already significantly evolved our network data sharing frameworks in line with the proposed outputs from the consultation paper.

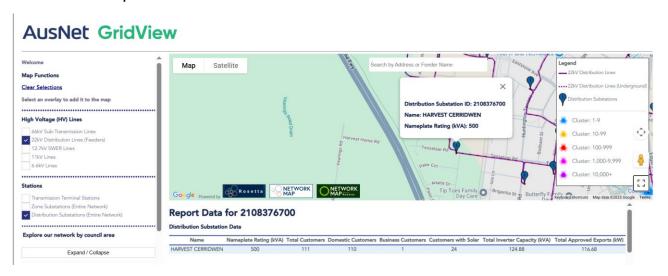
In 2023 AusNet launched the GridView portal, which provides registered users with access to extensive LV network data as well as high-voltage (**HV**) data. The portal provides extensive network data and visibility which helps users understand areas of network constraint, growing customer and solar connections, distribution

substation load profiles, number of customers by feeder, and similar. These datasets have been tested with stakeholders to ensure relevance and usability. For example, a community energy group can:

- View the distribution substations in their locality to identify those with sufficient capacity to host a community battery
- Identify the number of customers with solar who are connected to a distribution substation to help understand whether a front-of-meter community battery providing a 'solar soak' function may be beneficial.

AusNet will continue to expand the data published on GridView, with current datasets such as total inverter capacity and allowable exports by distribution substation already available, and plans to expand to include maps to identify suitable locations for CER, as investment in new tools and aggregation systems progresses.

AusNet's GridView portal



In Victoria, Distribution Network Service Providers (**DNSPs**) have access to rich datasets from a high penetration of smart meters, including power quality data that is not readily available from most contestable meters in other jurisdictions. This puts Victorian distributors in a favourable position regarding network visibility and the ability to share useful data for our customers, communities, and other stakeholders. We note that this does not provide us visibility to the uptake of appliance electrification or energy efficiency from our customers and we can only use our smart meter data to estimate uptake.

We support continuous enhancements to public data to support connections. However, we believe this data is best delivered via a regularly updated online portal or map and not through a static biennial IDSP report which would not be timely or actionable for connection planning. HV data may be suitable for biennial reporting, but LV data should be updated quarterly to reflect its dynamic nature.

While many networks, including AusNet, are already progressing data publication within the current regulatory framework, we welcome further analysis on gaps and engagement through this rule change process to determine if additional data types should be made available. This will help ensure that published data is useful, targeted, and aligned with stakeholder needs.

We also note that while this data supports informed connection decisions, it does not directly address connection cost or policy issues, which may be a key concern for ECA.

2. Data to Identify Non-Network Opportunities for CER investments

This data aims to help stakeholders identify where non-network solutions, such as batteries or demand response, may be viable alternatives to traditional network infrastructure. These non-network solutions can reduce system costs and benefit both networks and customers.

AusNet already publishes this data and is actively evolving its approach to improve visibility and usability. For example, on our website we publish <u>non-network opportunities</u> and consult through the Regulatory Investment AusNet Pty Ltd (ACN 603 317 559)

Test (RIT) process. In our upcoming regulatory period, we have also proposed to invest in a new platform that allows customers or third parties to sign up to provide flexibility services which will create new opportunities to reward CER services, including on AusNet's LV network.

We consider efficient processes which appropriately rewards CER for the network benefit they can provide is essential to maximise value from CER. However, it is unclear what specific shortcomings exist in current practice or whether this is a core issue the rule change seeks to address. Further clarification would be useful to assess whether additional regulatory obligations could produce better outcomes in facilitating non-network CER opportunities.

3. Data to Measure Network Performance

We support the evolution of performance metrics and note that the Australian Energy Regulatory (**AER**) is already progressing work in this area, including through evolving <u>export service network reports</u>. To the extent that further improvements to network performance reporting are desirable, these can be achieved under the current rules and do not require additional regulatory change.

We acknowledge there are limitations of current utilisation metrics and recognise alternatives such as Total Energy Throughput Utilisation (**TETU**) and Two-way Power Flow Utilisation (**TPFU**) proposed may have some benefits to account for CER. However, further work is needed to validate these metrics to ensure they are meaningful and comparable across networks. We consider benchmarking outside the scope of the proposed IDSP processes and is to be considered by the AER within their existing processes.

Further consideration of costs and benefits of proposed changes

We agree that the greater visibility of distribution network data could deliver long-term benefits, including improved planning and more efficient CER integration. However, the costs of data collection, analysis, and engagement are significant and must be carefully weighed.

We support the concept of networks publishing a data visibility roadmap, aligned with the plans outlined and funded through each network's revenue determinations. DNSPs should outline their data strategies and progress toward improved visibility overtime in line with customer expectations, which we consider can be delivered within the current regulatory framework. We are open to publishing a Network Data and Insights Roadmap if required, however, its purpose remains unclear given that our existing revenue determination plans already serve a similar function. Introducing a separate roadmap risks duplicating effort without clear added value. If the intent is to recognise some DNSPs will need more years to meet new data requirements, then ensuring appropriate transitional arrangements are in place for those DNSPs may be more suitable than a roadmap.

We do not support introduction of additional engagement requirements into the distribution annual planning process, as proposed by ECA. While engaging annually on distribution planning processes would be possible, we do not foresee it materially improving outcomes for customers. Given our costs are paid for by customers, we have a responsibility to invest prudently and efficiently in our engagement activities. We consider existing engagement to inform revenue proposals and through established stakeholder reference groups to be a more appropriate channel for strategic input into our network planning and represents better value-for-money for customers.

Engagement to inform revenue proposals runs for three years of the five year regulatory period and is extensive in the breadth of topics covered, the number of people involved, and the detail we engage on. In the two years leading up to submitting the Electricity Distribution Price Review 2026-31 proposal to the AER, AusNet spent 390 hours formally engaging with stakeholders via forums, and the voices of more than 16,000 people were heard through the process. This engagement included:

- Seven panels on Electricity Availability (Reliability & Resilience), Future Networks, Benchmarking & Opex, Customer Experience, Tariffs & Pricing, Research & Engagement, and a Coordination Group comprising one representative of each
- 20 workshops (four rounds of five workshops) with customers in Wangaratta, Morwell/Traralgon, Epping and two online with customers from across the network
- Meetings with large customers
- Council forums

- Joint Victorian networks on Resilience (1), Tariffs & Pricing (3), Framework & Approach (2) and Vulnerability (3)
- A Quantifying Customer Values research study

In addition to engagement on our regulatory proposal, we convene a number of standing forums that meet and are kept informed throughout the regulatory period, including our Customer Consultative Committee and Innovation Advisory Committee.

We also conduct extensive research with our customers and other stakeholders, which helps us stay abreast of changes in their needs, expectations and priorities. Our research program includes one-off and ongoing studies.

You can find more information about our engagement activities on our Community Hub site.

We note that annual planning documents such as the Distribution Annual Planning Report (**DAPR**) and ECA's proposed IDSP are largely technical and we question whether they would benefit from additional consultation given that (1) broader customer interest and technical understanding is typically low and (2) our investment focus already reflects negotiated outcomes with our customers, which have been determined through the above detailed engagement on our revenue proposal.

This is not to say that the current scope of stakeholder engagement should not evolve to take account of stakeholders' needs and preferences, including engaging on specific topics as the need arises. As an example, AusNet is engaging a stakeholder reference group to inform which new data should be published on our GridView portal in the coming months. In another example, AusNet convened all Councils in our distribution area for a discussion on electric vehicle planning this week, following a request from a Council stakeholder.

We recognise that the current DAPR may benefit from improvement, such as streamlining the content so as to reduce the administrative burden on DNSPs producing it and increasing its readability and usefulness for stakeholders. However, we consider the DAPR itself is largely fit for purpose and instead, stakeholders may realise greater benefits through DNSPs providing more up-to-date visibility of network data and upcoming projects through portals like GridView. In response to ECA's specific concerns regarding the DAPR:

- We do not support further standardisation or benchmarking of planning methodologies. The AER already assesses network planning approaches during revenue determinations. Over-prescription may impose unnecessary costs without clear value to customers. It is also important to note that consistent methodologies will not standardise connection policies or costs across DNSPs.
- We support extending the planning horizon beyond the current five years to better reflect long-term electrification and CER trends.
- Alignment between the ISP and distribution planning is already underway and does not require further attention through this rule change. AEMO has been engaging extensively with DNSPs on how to incorporate distribution network constraints and opportunities in the 2026 ISP, as evidenced in the ISP Methodology and Electricity Network Options Report consultations. Whilst there is more that can be done to integrate transmission and distribution planning, we suggest that the evolution of the ISP shows that this higher level of integration can be achieved within the current Rules.

In addition, we recognise significant progress is underway by the Department of Climate Change, Energy, the Environment and Water (**DCCEEW**) to deliver the CER Roadmap to effectively integrate CER into the power system and energy markets. These on-going processes will consider many of the issues raised by ECA in this rule change request, specifically the <u>current consultation</u> on Data sharing arrangements to inform planning and enable future markets. Any further engagement on this rule change request should be targeted and avoid duplication with existing processes where they are seeking the same outcomes.

Please reach out to Eliza Cochrane on <u>eliza.cochrane@ausnetesrvices.com.au</u> if you have any questions about the submission or to organise further engagement.

Sincerely,

Nick Cimdins

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Senior Manager, Energy Transition Policy (Distribution)

AusNet