

Enhancing distribution network planning and reporting

In response to a rule change request from Energy Consumers Australia (ECA), the Commission has made a draft determination and more preferable draft rule to enhance distribution network planning and the availability of consistent distribution network data.

We are seeking stakeholder feedback: Written submissions responding to this draft determination and draft rule must be lodged with the Commission by 4 June 2026.

The current distribution annual planning process and data reporting are no longer effective

We identified in the directions paper that the increasing uptake of Consumer Energy Resources (CER) is creating emerging challenges and opportunities for distribution network planning. Distribution network service providers (DNSPs) are increasingly managing two way energy flows and demands for new distribution services, while the uptake of home batteries and electric vehicles, along with other CER developments, is creating new opportunities for non network solutions.

In this environment, the existing distribution annual planning process is no longer leading to efficient or transparent distribution planning. There is a need for longer term planning by DNSPs that would allow them to proactively identify the parts of their networks likely facing challenges and develop long term plans to address them.

At the same time, the increasing uptake of CER is also making distribution network data more important as CER volumes increase, particularly low voltage network data. However, we have identified issues with low voltage network data availability, leading to poor network visibility. This makes it difficult for distribution service users and stakeholders to understand the current state of the distribution network, including network constraints, that may impact their network usage and investment decisions.

Our draft determination creates a new process to facilitate enhanced distribution network planning

A new distribution network development plan (DNDP)

Our draft rule would address the above planning challenges for DNSPs by establishing a new long term distribution planning process. Under this process, DNSPs would be required to publish a DNDP every five years, aligned with their regulatory proposals.

The framework would require each DNSP to:

- adopt a 20-year planning horizon
- develop a range of scenarios, using the Australian Energy Market Operator's Inputs, Assumptions and Scenarios Report as a baseline
- explain how consumers and stakeholders have been engaged
- identify emerging network limitations, risks and opportunities, including the role of non-network options and CER.

The DNDP is intended to provide a clear, long term view of how distribution networks are expected to develop under a range of plausible futures.

An annual update

To maintain near to medium term planning transparency, DNSPs would publish a concise annual update, replacing the existing distribution annual planning report.

The annual update would focus on material changes since the DNDP or previous update, including:

- regulatory investment test for distribution projects that have been completed or progressed
- joint planning with other network service providers
- engagement with non-network providers.

Our draft determination creates a new process to facilitate enhanced data reporting

The draft rule would also establish a new principles based framework for distribution network data reporting. The framework is intended to improve the collection and publication of distribution network data, while maintaining flexibility to adapt to the outcomes of other ongoing projects, such as the national CER roadmap.

Under the framework:

- DNSPs would publish data in accordance with requirements set out in Australian Energy Regulator (AER) guideline
- a purpose would be established in the rules, which would clarify the types of distribution data that are intended to be captured by the AER's guidelines
- the AER would be required to consider the purpose and three principles, including the net economic benefit of compliance with the guidelines and publicly available data, when developing the guidelines.

Our draft rule contributes to achieving the NEO

Our more preferable draft rule would contribute to the achievement of the National Electricity Objective by improving the efficiency, transparency and coordination of distribution network planning and investment.

The draft rule would help to ensure that distribution planning and reporting remains fit for purpose as the use of distribution networks changes in response to the rapid growth in CER. It would also support the consistent publication of distribution network data across the National Electricity Market, improving access for consumers, their agents and market participants.

In particular, the draft rule would:

- Improve transparency, consistency and accessibility of distribution network planning information and data across jurisdictions.
- Provide better visibility of future network needs and investment, supporting more informed consumer decisions about energy use and investment in CER.
- Streamline opportunities for consumers and communities to engage in network planning, and improve understanding of how stakeholder input is considered.
- Support competition and innovation by enabling non-network providers to identify opportunities to deliver services that benefit consumers.
- Improve access to distribution network data, particularly at the low-voltage level, which is increasingly important for managing rooftop solar, batteries and electric vehicles.

Enhanced distribution planning is pivotal to the energy transition. By providing clearer long term outlooks of how distribution networks are expected to develop, improving the availability and consistency of information and increasing visibility of low voltage networks, the draft rule would better support an efficient, consumer centred energy system.

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