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Project Lead  
EDNP Rule Change Consultation

**Lodged via online portal**

4 June 2026

Dear Matthew

**Subject: Submission to the Enhancing distribution network planning & reporting draft determination (ERC0410)**

**1. Introduction**

The Australian Energy Council (**AEC**) welcomes the opportunity to provide this submission to the AEMC in response to the Enhancing distribution network planning & reporting draft determination (“the draft determination”).

The AEC is the peak body for energy retailers and generators operating in competitive markets. Our members generate and sell energy to over 10 million homes and businesses and are committed to delivering a reliable, affordable and decarbonised energy system for consumers. The AEC supports net zero by 2050 and recognises the electricity sector’s role in reducing Australia’s emissions. Our members are major investors in renewables, firming and storage technologies that are critical to ensuring that customers continue to receive reliable and sustainable energy supply as we navigate the energy transition.

**Overview**

The AEC supports the broad direction of the draft determination. The shift to a longer-term planning horizon, the alignment with AEMO scenarios and the establishment of a data reporting framework are all positive steps. We urge the AEMC, however, to strengthen the draft rule in the ways described in this submission to ensure that the new framework delivers on its stated objectives. Specifically, we recommend that the AEMC:

1. Amend the purpose statement for the Distribution Network Development Plan (DNDP) and data reporting framework to explicitly include the information needs of customers and market participants, including retailers, CER investors and non-network providers, not solely the DNSP’s capital planning process.
2. Include explicit rule-level direction to the AER that its guidelines must address feeder-level low-voltage data as a baseline requirement, with a phased implementation pathway.
3. Establish a minimum content floor for the AER’s data guidelines to reduce the risk of formal compliance without substantive delivery.
4. Require the AER to adopt a use-case driven approach to developing its guidelines, with use cases drawn from the information needs of customers, retailers, aggregators, battery investors and demand response providers.

We expand on these points further in the following responses to the questions in the draft determination:

**Question 1: Does the draft rule provide appropriate guidance on the application of the 20 year planning horizon?**

The 20-year planning horizon and the requirement to use AEMO's Inputs, Assumptions and Scenarios Report (IASR) as a baseline are both positive developments that should improve long-term visibility of network needs and facilitate better integration between distribution and transmission planning.

We note, however, that the value of the DNDP to market participants will depend critically on what it contains. A document that complies with the formal requirements of the draft rule but focuses narrowly on the DNSP's own asset management decisions, without providing the granular, feeder-level network data that market participants need to make investment and operational decisions, will be of limited value to the competitive market.

**Question 2: Is the purpose of the DNDP sufficiently clear?**

The AEC is concerned that as currently drafted, the purpose statement risks supporting a narrow focus on the DNSP's own planning process and does not adequately capture the information needs of retailers, CER investors and non-network providers.

A DNSP could prepare a DNDP that is technically sophisticated, internally consistent and narrowly optimised for its own regulatory proposals while providing no useful information to customers and market participants seeking to assess whether non-network solutions are available or to make CER investment decisions. Such a document would, in our view, satisfy the purpose as currently drafted while failing to achieve the outcomes the AEMC and most stakeholders are seeking.

From a retailer and market participant perspective, the most valuable distribution planning information includes:

- Where network constraints are emerging, including at the feeder and low voltage level;
- The likely timing and scale of those constraints under a range of CER uptake scenarios;
- What network solutions the DNSP is considering and at what cost;
- Whether non-network alternatives have been assessed and, if so, on what basis they were found to be insufficient; and
- What opportunities exist for customers, retailers, aggregators, VPPs, batteries and demand response providers to contribute services that defer or replace network investment.
- The potential for dynamic congestion charging in line with the AEMC's Recommendation 5 in its Pricing Review. Indeed, we cannot see how this recommendation will be effective without appropriate network visibility to support the pricing signals.

The AEC recommends that the purpose statement be amended to make explicit that the DNDP and the associated data reporting framework should be designed to serve the needs of customers and market participants, including non-network providers, CER investors and retailers, and not solely the DNSP's internal capital planning process. The purpose should clearly contemplate that one of the primary

functions of these documents is to enable the competitive market to identify opportunities to provide services that benefit consumers.

Additionally, these documents should also explicitly be directed at reducing the current information asymmetry that provides an unwarranted commercial advantage to DNSPs and undermines the purpose of regulatory investment tests for distribution (RIT-Ds). Without access to the appropriate information, it is hard for potential non-network providers to design their non-network offerings competitively and for all parties – including the AER – to challenge DNSP arguments of market failure.

### **Question 3: Have all the implementation considerations for the annual update been identified?**

The AEC supports the concept of a concise annual update focused on material changes. We would note that the annual update should include any material changes to the DNSP's assessment of non-network opportunities, including any new non-network procurement processes or the outcomes of completed processes. This information is important for market participants to understand the current state of play in relation to potential non-network service opportunities.

It follows that the annual update should also include changes in planned network projects for the next 5 years since the strategic plan or previous year.

In principle it would be valuable to include an assessment of whether scenarios have become more or less likely – it may entail a level of spurious accuracy to require DNSPs to assign numerical probabilities to the scenarios, so directional changes may be sufficient.

### **Question 4: Does the purpose provide appropriate guidance on the scope of the framework?**

The AEC supports a data reporting framework that is designed around the needs of users of the data, irrespective of the preferences of those who produce it. The draft determination acknowledges that data should be useful to a range of stakeholders; we submit that the rules should go further and require the AER's guidelines to be developed with reference to identified use cases. The guidelines can be updated as the most relevant use cases evolve.

From the perspective of AEC members, the most important use cases for distribution network data include the following:

- Network constraint identification: Retailers and aggregators need to know where constraints are emerging and at what timescale so that they can assess opportunities to provide demand response, battery dispatch, VPP services or flexible export management that may defer or replace network investment.
- CER siting and investment: Battery investors, solar installers, VPP aggregators and community energy proponents need feeder-level hosting capacity data to site assets efficiently and to understand the likely operational environment for their projects over time.
- Non-network alternatives: Non-network service providers require visibility of DNSP investment pipelines, the timing and scale of projected constraints, and the criteria DNSPs apply when assessing non-network options in order to develop credible proposals.
- Network efficiency scrutiny: The AER, consumer advocates and researchers need consistent, comparable data across DNSPs to assess whether network investments represent the most efficient available response to emerging challenges, and to identify patterns of over- or under-

investment. This includes access to appropriate utilisation metrics such as those developed by UTS<sup>1</sup>.

Other stakeholders may of course have their own use cases. A framework that is explicitly oriented toward actionable business intelligence for market participants is more likely to deliver lasting value than one that requires only the publication of data that may or may not be useful to those who need it.

#### **Question 5: Does the draft rule provide appropriate guidance for the AER when preparing the guidelines?**

The AEC supports the requirement in the draft rule that the AER follow the consultation procedure in the NER when developing or amending the distribution network data guidelines. This is an important accountability mechanism and we welcome its inclusion.

However, we do not consider consultation requirements alone to be a sufficient safeguard against the risk that the guidelines reflect potential DNSP preferences for minimum disclosure rather than data user needs. The consultation process is a necessary but not sufficient condition for guidelines that deliver the outcomes the AEMC is seeking.

The AEC recommends that the rules include a minimum content floor for the AER's guidelines that requires, at minimum, the inclusion of:

- Feeder-level data on hosting capacity, utilisation and voltage profiles;
- The location and indicative timing of emerging network constraints;
- Information on non-network procurement processes and their outcomes; and
- Data published in machine-readable formats at sufficient granularity to support the use cases identified above.

The AEC recognises that some of these requirements may need to be phased in over time, particularly where DNSP systems do not currently support the publication of low-voltage data at the required granularity. We would support a phased implementation pathway provided it is set out in the rules or is a mandatory component of the AER's guideline, with clear milestones and accountability mechanisms.

#### **Rules versus guidelines**

The draft determination raises several questions regarding the merits of embedding requirements in the Rules versus letting the AER determine them in the Guidelines. In this respect we note that:

- The Rules are being drafted now, the Guidelines later.
- AEC members have previous experience of guidelines not delivering what we thought rules were intended to achieve (for example ringfencing).
- There is one (admittedly lengthy) set of Rules versus multiple guidance documents, so the Rules are typically easier to research.
- Guidelines are more flexible and easier to update with changing circumstances.

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<sup>1</sup> [https://utsd8.prod.acquia-sites.com/sites/default/files/2025-01/UTS\\_Network-Utilisation-Metrics\\_Final-Report\\_v1.2.pdf](https://utsd8.prod.acquia-sites.com/sites/default/files/2025-01/UTS_Network-Utilisation-Metrics_Final-Report_v1.2.pdf)

So, as a rule of thumb, we consider that elements of the DNDP and the data reporting framework that are likely to be consistently required and useful through the transition are best set out in the rules to avoid any ambiguity that may get lost in the guidelines. Conversely, elements that are likely to change over time are best included in guidelines that are easier to update. Since we consider it fundamental to the success of this reform that feeder level data as set out above are published by DNSPs as soon as they have the capability to do so, we see little drawback in embedding some of these more specific requirements in the Rules.

### **Supporting the National Electricity Objective**

We would expect that an appropriately specified set of planning and disclosure requirements as set out above would drive a greater incidence of non-network alternatives, which would reduce distribution costs and thus customer bills. In that respect, even if the direct use cases are more likely to be taken up by commercial parties, customers remain the ultimate beneficiaries of the rule changes. Notably the concern cited in the draft determination that “DNSPs’ customers and stakeholders could potentially pay for the collection and provision of data that did not benefit them directly, but was of direct commercial benefit to other stakeholders such as aggregators and retailers<sup>2</sup>” was not raised by a customer or stakeholder but by a network business. Accordingly, we don’t consider the AEMC should be unduly concerned with which parties will make the most use of the data and reports arising as a result of this rule change.

Please do not hesitate to contact me at [jo.desilva@energycouncil.com.au](mailto:jo.desilva@energycouncil.com.au) or by telephone on 03 9205 3100 if you wish to discuss our submission further.

Yours sincerely,

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<sup>2</sup> Draft determination, p22