

## DRAFT DETERMINATION – ENHANCING DISTRIBUTION NETWORK PLANNING AND REPORTING

4 JUNE 2026

### INTRODUCTION

The Energy Users' Association of Australia (EUAA) is the peak body representing Australian commercial and industrial energy users. Our members are the engine room of the Australian economy, producing many of the products that households and business use every day including bricks, glass, steel, aluminium, paper, food and beverages. Combined, our members employ over 1 million Australians, pay billions in energy bills every year and in many cases are exposed to the fluctuations and challenges of international trade.

EUAA members are focussed on making products that meet their own customers' requirements where energy is just one input to the process albeit a critical one. Their expectation is that the energy industry continues to provide energy services that are fit for purpose and consistent with the National Electricity Objectives (NEO) so that our members can continue to provide a fit for purpose product for their customers.

Thank you for the opportunity to make a submission to the Australian Energy Market Commission (AEMC) for the **Enhancing Distribution Network Planning and Reporting – Draft Determination** consultation.

### DISCUSSION

At the EUAA, we support rules and processes that deliver efficient, cost-effective and equitable outcomes for networks, developers and consumers. As electrification accelerates and Consumer Energy Resources (CER) uptake grows, large users increasingly depend on clear, comparable and forward-looking information to guide investment and operational decisions. Addressing current visibility gaps are therefore essential.

A well-designed reporting and planning framework can help close these gaps by improving consistency across Distribution Network Service Providers (DNSP), strengthening long-term planning and ensuring annual updates provide meaningful transparency between regulatory periods. Our comments on the draft rule focus on where additional clarity, proportionality or guidance would help the framework operate as intended and deliver genuine value to stakeholders.

### RESPONSE TO CONSULTATION QUESTIONS

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

- *Does the draft rule provide sufficient guidance on how the 20-year planning horizon is to applied by DNSPS, including for their low voltage network?*
- *If not, what additional guidance is needed for DNSPs to implement this obligation?*

- *What would be the benefit of including this additional guidance (if any) in the draft rule? As an alternative, would it be preferable for this to be included by the AER in its guidelines (section 2.4)?*

The draft rule provides a sound framework for applying a 20-year planning horizon. We support the approach of requiring detailed forecasts for the first five years, complemented by scenario-based planning for the remaining 15 years. This balances the need for near-term accuracy with the uncertainty of longer-term forecasting in a system undergoing rapid electrification and increasing CER uptake. It also avoids locking in a rigid plan, ensuring DNSPs can adapt as new technologies emerge.

Utilising annual updates also further reduces the risk of major shifts between the 5-year regulatory cycles by providing early visibility of emerging issues and helping smooth transitions from one reset to the next.

While the overall approach is clear, the draft rule provides limited guidance on how the 20-year horizon should be applied across different parts of the network. Where additional information is expected, it would be helpful for the rule or the Australian Energy Regulator’s (AER) guidelines to clarify the purpose of that information and the level of visibility stakeholders should expect. This would ensure any new requirements are proportionate and targeted to areas where they deliver genuine value.

Given the diversity of network conditions and the practical challenges of long-term forecasting, it may be preferable for the AER to provide this clarity through its planning guidelines rather than embedding prescriptive requirements in the rule itself.

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

- *Is the proposed purpose and role of the DNDP within the broader planning framework sufficiently clear?*
- *If not, what amendments do you consider would improve the clarity of the DNDP’s purpose?*

The proposed purpose of the Distribution Network Development Plan (DNDP) is broadly appropriate and provides a clear indication of what the process is intended to achieve. In particular, the requirement for DNSPs to plan across a range of future scenarios is well-defined and gives DNSPs the flexibility needed to manage long-term uncertainty. Anchoring the DNDP in the Australian Energy Market Operator (AEMO) Inputs, Assumptions, and Scenarios Report (IASR) also provides an important reference point, supporting consistency across networks and ensuring that long-term assumptions are aligned with national planning frameworks.

The first part of the purpose — to maximise the long-term interests of consumers — is directionally appropriate, but its practical application requires careful consideration. It is a broad objective, and without clear constraints it can become an elastic concept that stretches to justify almost anything. While such outcomes may occasionally be justified, the breadth of the purpose statement means that, without supporting principles, it could be interpreted inconsistently across DNSPs or applied in ways that undermine predictability for consumers.

For this reason, the effectiveness of the purpose will depend heavily on how it is operationalised through the AER’s guidelines. This will include how DNSPs are expected to balance long-term benefits against short-term impacts, how trade-offs should be assessed, and what constitutes a proportionate response to emerging system limitations. Clear expectations in these areas will guide the DNDP in genuinely supporting efficient, consumer-focused planning rather than becoming a broad justification for investment.

While the purpose statement sets out what the DNDP is intended to achieve, it is less explicit about how it supports transparency and coordination across the planning process. These outcomes are important to stakeholders and could be more clearly reflected in the purpose or supporting provisions.

The scenario analysis requirements and the use of the IASR provide important discipline in this regard. These elements help constrain the interpretation of “long-term interests” by grounding assumptions in a consistent national framework and requiring DNSPs to test their plans against a range of plausible futures.

Importantly, we consider that the new requirements could create an opportunity for a feedback loop into the Integrated System Plan (ISP) for greater distribution level information. The current ISP assumptions focus on new projects being facilitated through transmission infrastructure and investment. However, these new planning and reporting provisions could begin to shift assumptions towards the distribution network for more localised solutions.

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

- *Does the draft rule identify all the critical planning information that would need to be updated annually by DNSPs?*
- *If not, could this information be captured by the AER guidelines published under Clause 5.13.3 of the draft rule?*
- *Should the draft rule also require DNSPs to report in the annual update on changes:*
  - *To planned network projects for the next 5 years since the strategic plan or previous year*
  - *In the likelihood of the scenarios that were considered in the DNSP’s strategic plan for the next 5 years?*
- *What would be the benefits of including the above requirement in the draft rule rather than AER guidelines?*
- *Should the draft rule also allow the AER to specify the form of any information or data to be provided in the DNDP and annual update?*
- *Would the proposed reporting dates for the annual update be simple for DNSPs to implement? If not, what is the most suitable alternative date for the annual update?*

The EUAA supports replacing the current distribution annual planning report with the DNDP as it plays an important role in maintaining consistency and transparency between five-year planning cycles. Without a reliable annual mechanism, there is a risk of significant shifts emerging between one reset period and the next, creating avoidable shocks for customers and stakeholders. Annual reporting helps smooth this cycle by providing visibility of changes as they occur.

The draft rule identifies many of the critical elements that should be updated each year, including changes in network conditions, RIT-D activity, joint planning and non-network engagement. However, it is not clear whether CER-related developments or influences specifically will be included, such as changes in CER uptake, hosting capacity or emerging constraints, are captured. Given the pace of CER adoption and its influence on network planning, it would be beneficial for the annual update to include this information.

Draft clause 5.13.3 appears to be an appropriate and flexible mechanism for capturing additional information in both the DNDP and the annual update, particularly where the alternative may be a lengthy rule change process. It enables the AER to specify further reporting requirements as planning needs evolve, and given the pace of electrification alongside the likelihood that new data sets will become relevant over time, this flexibility is

important. We therefore support the use of AER guidelines to incorporate additional information, provided the AER applies the purpose and principles consistently.

There may also be merit in requiring DNSPs to report annually on changes to planned network projects and on any shifts in the likelihood of scenarios underpinning their strategic plans. These updates would help stakeholders understand how planning assumptions are evolving and reduce the risk of unexpected changes emerging late in the regulatory cycle.

We support the AER having the ability to specify the form of information provided in the DNDP and annual update, provided this is exercised in a way that promotes consistency where practical. Some DNSPs already produce similar jurisdictional annual reports, and there is value in streamlining these obligations to avoid duplication and unnecessary cost. At the same time, a degree of consistency across DNSPs is important for users who rely on comparable information to make planning and investment decisions. For this reason, it may be appropriate for the AER to develop its guidelines in consultation with relevant jurisdictions and DNSPs to ensure reporting requirements are aligned, efficient, and deliver the best outcome for all parties.

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

- *Does the framework’s purpose provide clarity on the different types of data that are intended to be captured in the AER’s guidelines (section 3.2)?*
- *If not, what types of data would not be captured by the current framing of the purpose? What would be the benefits of including this data in the framework’s purpose or scope?*

The EUAA considers that the purpose of the framework provides clear organising logic for the AER and a coherent link to the issues identified in the draft determination. However, in its current high-level form, the purpose alone does not fully capture the data types needed to address the visibility gaps highlighted in the review. While the categories of ‘current’, ‘historical’ and ‘expected’ state offer useful structure, they do not explicitly reference the data sets that are central to CER integration or to improving comparability across DNSPs. We support the purpose remaining broad enough to preserve flexibility, but still signal the types of data that matter so the framework develops in a consistent and meaningful direction.

If the Commission were looking to provide further clarity on the types of data to be captured, one avenue could be a non-exhaustive list for the AER to consider when developing its guidelines. This could include low-voltage hosting capacity information, feeder-level voltage and power quality metrics, CER export limits and curtailment reasons, dynamic operating envelope parameters, operational constraint data, and transparency around connection queues and assessment timeframes. Without clearer signalling that these or similar data types fall within scope, there is a risk that the guidelines will continue to reflect the variability and inconsistency that stakeholders have raised.

The EUAA considers that this information has strategic value that will grow as the transition progresses. For large users, detailed distribution-level data becomes critical at specific decision points — for example, assessing CER integration, co-locating generation, or planning electrification pathways. While these decisions are infrequent, when they do arise, access to accurate and comparable data can materially influence commercial outcomes. As electrification accelerates, these decision points will become more common, and the need for distribution-level visibility will increase accordingly.

Ensuring the purpose is framed broadly enough to encompass the data needed for these emerging use cases will help the framework deliver value not only to individual customers, but to the wider transition. At the same time, signalling the key data sets, even if only as foundational building blocks, within the purpose or scope would strengthen alignment with the framework’s objective: improving visibility in a way that maximises benefits to network users and supports efficient CER investment across the NEM.

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

- *Do the principles and the framework’s purpose capture all the relevant considerations for the AER when it prepares its guidelines? If not, what additional considerations do you consider are missing and what would be the benefits of including them in the draft rule?*
- *Does allowing for additional requirements, such as the publication of data roadmaps, create an overly broad scope for the guidelines?*
- *If so, how could this be addressed? Would additional restrictions for these provisions be sufficient or should they be a separate requirement from the guidelines?*

Similar to our response to Question 4, we support flexibility being built into the draft rule. Allowing the AER to adapt the guidelines over time is essential as new data sets and technologies emerge. Overly prescriptive rules would risk locking in today’s capabilities and limiting innovation.

However, flexibility needs to sit alongside a clear starting point. A baseline level of consistency across DNSPs is important so that stakeholders can meaningfully compare and use the data. Without this, the guidelines may simply replicate the current fragmentation in reporting practices.

The three principles proposed in the draft rule — net economic benefit, protection of confidential and personal information, and avoiding duplication of publicly available data — provide a solid foundation. However, there may be value in explicitly recognising two additional considerations. First, the AER should consider the future strategic value of data, not only its immediate use or short-term economic benefit. Some data sets may have limited current application but will become increasingly important as customers electrify, deploy on-site generation, or explore flexible demand options. Second, the guidelines should explicitly promote comparability across DNSPs.

Allowing the AER to introduce additional requirements, such as data roadmaps, does not create an unmanageably broad scope provided the principles — particularly the net economic benefit test — are applied rigorously. If further guardrails are needed, the AER could be required to consult separately or publish a statement of reasons before imposing any additional obligations.

## **CONCLUDING REMARKS**

The EUAA supports the direction of the draft determination and the AEMC’s efforts to improve visibility, comparability and long-term planning across distribution networks. The proposed framework has the potential to deliver significant benefits for consumers, provided it is supported by clear guidance, proportionate requirements and a consistent approach to data and reporting. We look forward to continued engagement with the AEMC, the AER and DNSPs as the guidelines are developed and implemented, and welcome further discussion on the issues raised in this submission.

Please do not hesitate to be in contact with EUAA Network Regulation Manager Shelby Macfarlane-Hill, should you have any questions.



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