

DRAFT FINAL RULE DETERMINATION NATIONAL ELECTRICITY AMENDMENT (CONNECTING EMBEDDED GENERATORS) RULE 2014

The City supports the Commission's final rule determination in addressing most of the issues raised by the rule change proponent - ClimateWorks Australia, Seed Advisory and the Property Council of Australia. This submission is made in response to the above consultation paper on the Australian Energy Market Commission's draft final rule determination on the above ClimateWorks Australia, Seed Advisory and the Property Council of Australia rule change request.

Final Consultation Phase

The Commission should ensure that it implements the new rule by 1 October 2014, or sooner, since it will have taken 2½ years to implement by this date. The Commission has provided ample consultation to all stakeholders and the rule change should be implemented without any further delay.

Rule Change

The proposed rule 5.3.6 (b3) should include that DNSPs may not unreasonably withhold consent to an applicant's extension of the 20 business day offer to connect. This feature will be given to DNSPs by applicants at the preliminary and detailed response stages.

The Commission should also require DNSPs to publish the makes and models of embedded generators that are connected to DNSPs' networks. This was agreed to at the November 2013 workshop, but is not included in the draft final rule or position paper.

Finally, the validity period between the detailed response and application stages should be re-established. A six month period would be appropriate, an extension may be granted if the connection applicant and DNSP agree, and consent may not be unreasonably withheld by either party.

This improvement would provide the whole connection process with consistency as flexible validity periods are provided in other stages for applicants and DNSPs.

On a practical level, this is a critical part of the connection process; one that makes or breaks projects. Multiple parties sign contracts and investors need confidence about the viability of projects. The absence of a validity period at this point could reduce investor confidence and derail projects.

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