



30 June 2016

Australian Energy Market Commission
PO Box A2449
Sydney South NSW 1235

Re: Submission to the Consultation on Discussion Paper *Transmission and Connection Planning Arrangements*

Infigen Energy Limited

Level 22, 56 Pitt Street
Sydney NSW 2000
Australia
T +61 2 8031 9900
F +61 2 9247 6086

www.infigenenergy.com

Infigen Energy appreciates the opportunity to make a submission with regards to the Consultation on the Discussion Paper on Transmission and Connection Planning Arrangements.

Infigen Energy (ASX: IFN) is an Australian Securities Exchange listed specialist renewable energy business headquartered in Sydney. Infigen Energy is the largest owner and operator of wind energy facilities in Australia (557 MW) with six major wind farms in Australia capable of producing approximately 1,500 GWh per annum, or enough energy to supply over 200,000 homes annually. Infigen also has a significant pipeline of Australian solar photovoltaic and wind development opportunities.

Infigen supports any initiative that increases the transparency and efficiency of the connection process and encourages increased competition in the provision of those services.

Whilst Distribution Connections have been excluded from the Rule change due to initial scope of the Transmission Framework Review, Infigen believes that the principles of connection should apply equally across both Transmission and Distribution. Many large renewable energy projects are considering connection to distribution assets and generally, there is significant lack of transparency in these processes. Infigen believes that extending the principles outlined in this Discussion Paper would address a number of these issues and make for a more efficient and cost effective process of connection. The following comments hence apply equally to both Transmission and Distribution connections.

Connection Process Transparency

Infigen believes that a single negotiating framework will minimise differences in connection processes between different Jurisdictions as well as between different Network Service Provider (NSP) within Jurisdictions. An increased level of published information by the NSPs will allow proponents to make earlier, better informed decisions at a lower cost which increases efficiency in the connection process.



Independent Expert

Infigen supports the role of an Independent Expert in connection negotiations. In order for this expert to be able to provide meaningful independent advice, they must have access to the same level of information as those whom they are advising.

It is expected that the Independent Expert be able to provide advice on scope, terms, standards and quality of connections. They should also be able to review scope and costs for upgrades required to the shared network in order to connect.

Infigen believes that this role should be, in the first case, drawn from a panel of experts determined by the Australian Energy Regulator (AER) and as agreed by both parties. If both parties cannot agree on a suitable person from this panel, the Independent Expert should be as otherwise agreed between parties or if agreement is still unable to be achieved, as appointed by the AER.

Identified User Shared Assets (IUSA)

Infigen supports Model 'B' for the IUSA as proposed in the discussion paper as it encourages the greatest level of competition in the market. Infigen also believes that it is important for the incumbent NSP to retain responsibility for any effect that those assets have on the shared network in order to ensure secure and efficient operation of the network as a whole.

In order to provide certainty of connection and hence protect open access arrangements, the connecting party must retain the right of connection with the incumbent NSP as a last resort.

Dedicated Connection Assets (DCAs)

DCAs must be capable of being protected to ensure that the owner retains the rights to both current capacity requirements as well as any excess capacity for future expansion that it may choose to build into them. Third Party connection should be possible but at the owner's discretion.

A consistent definition of the location of the connection between the DCA and the IUSA must exist and be applicable to different substation (IUSA) topologies. Linking this location to the Connection Point, or defining it as the Connection Point, has the potential to confuse other uses of the Connection Point such as for technical standards and metering.

Clarity also needs to be provided in how any transition of a DCA to shared network is to take place as part of a RIT-D or RIT-T process, including the involvement of the owner of the asset in those processes.

In summary, Infigen supports this proposed rule change but believes that there is still significant detail to be developed to ensure it adds value over and above the processes currently in place.



Please feel free to contact Andrew Milne on (02) 8031 9960 or at andrew.milne@infigenenergy.com for any information on this submission.

Yours sincerely,

A handwritten signature in blue ink that reads "Richard Farrell".

Richard Farrell
General Manager, Strategy and Corporate Affairs
02 8031 9901
richard.farrell@infigenenergy.com