



Connecting embedded generators – position paper

Position paper released for consultation

The Australian Energy Market Commission is developing a rule to reduce barriers to the connection of embedded generators to distribution networks. This is in response to a rule change request received from ClimateWorks Australia, Seed Advisory and the Property Council of Australia in April 2012.

A draft of the final rule on connecting of embedded generators to distribution networks has been released for consultation. It is accompanied by a position paper that outlines the policy settings underlying the draft final rule.

Final consultation phase

Following consideration of submissions on the draft rule determination and discussions with stakeholders at workshops, the Commission has developed a draft final rule, which differs materially to the draft rule that was published in June 2013.

For this reason, and in response to stakeholder requests, the Commission has published the draft final rule with an accompanying position paper for consultation. This final consultation phase will provide stakeholders with an opportunity to review the draft final rule and consider the changes that are to be made to the current regime governing the connection of embedded generators to distribution networks.

The Commission would be pleased to receive feedback from stakeholders on any implementation issues or inadvertent outcomes of the rule drafting they consider may arise in implementing the draft final rule.

In addition, stakeholders are requested to comment on the proposed transitional arrangements and the 1 October 2014 date for the commencement of the final rule.

Draft final rule

The draft final rule released for consultation is intended to provide a clear, transparent connection process with well-defined timeframes to assist embedded generator proponents in making informed connection decisions. It does so by creating a new connection process for embedded generators under Chapter 5 of the National Electricity Rules.

To achieve the objective of an improved connection process for embedded generators, the draft final rule includes:

- a two stage connection enquiry process;
- detailed specification of information to be published by distribution businesses as well as the information to be exchanged between parties during the course of a connection process;
- timeframes for the different stages within the connection process that can be extended by agreement to accommodate more complex projects;
- a requirement that distribution businesses establish and maintain a public register of completed embedded generation projects; and
- clarification that parties may access the existing dispute resolution process for any dispute arising about the technical requirements of connection.

Submissions on implementation issues relating to the draft final rule are due 20 February 2014.

Key changes from the draft rule

The draft final rule for consultation varies from the June 2013 draft rule in a number of ways. In particular, the following aspects of the draft rule have been amended in developing the current draft final rule:

- provision of technical information by distributors
- enquiry fee;
- dispute resolution process; and
- public register of completed projects.

Making a submission

Submissions are due by COB on 20 February 2014 and may be lodged through the AEMC website.

Next steps

The current timeframe for finalising this rule change request is set out in the table below.

Milestone	Amended timetable
Publication of position paper	30 January 2014
Close of submissions	20 February 2014
Publication of final rule determination	by 17 April 2014
Commencement of rule	1 October 2014

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