



Mr John Pierce
Chairman
Australian Energy Market Commission
PO Box A2449
Sydney South NSW 1235

20 February 2014

Dear Mr Pierce,

Submission on connecting embedded generators draft final rule

We have reviewed the draft final rule and position paper.

While the new rule will help advance connections for embedded generators and the needs of electricity customers, we believe further changes are required in order to further promote the development of embedded renewable energy generation.

Nonetheless, while further changes are considered, we believe the Commission should implement the new rule by 1 October 2014, or sooner, as it has already taken longer than expected. Also, the Commission has provided ample consultation to all stakeholders.

We recommend that 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 by applicants.

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, we believe 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.

Yours sincerely,

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