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Ref:JD/TF/AC

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

Dear Mr Pierce

RE: *Draft Determination – National Electricity Amendment (Improving demand side participation information provided to AEMO by registered participants) Rule 2014 (ERC0174)*

Ergon Energy Corporation Limited (Ergon Energy) welcomes the opportunity to provide comments to the Australian Energy Market Commission (AEMC) on its Draft Rule Determination – National Electricity Amendment (Improving demand side participation information provided to AEMO by registered participants) Rule 2014 (Draft Determination) and associated Draft Rule. This submission, which is available for publication, is made by Ergon Energy in its capacity as an electricity Distribution Network Service Provider (DNSP) in Queensland.

Ergon Energy is supportive of a rule change that recognises the potential impact of Demand Side Participation (DSP) information on the National Electricity Market, especially in regard to the quality of the Australian Energy Market Operator's (AEMO) electricity load forecasts. Consequently, Ergon Energy supports the AEMC's adoption of a more preferable draft rule. However notwithstanding this, Ergon Energy is still concerned that the true impact to stakeholders such as DNSPs will not be able to be properly assessed until the demand side participation information guidelines (the guidelines) are developed and stakeholders are given certainty as to the types of information and the timing for provision of that information. Furthermore, due to this uncertainty, and the proposed 3 month timeframe between publication and commencement of the guidelines, Ergon Energy suggests that a minimum of 9 months is prescribed under Draft Rule 3.7D(f) to allow Registered Participants sufficient time to ensure compliance with the requirements of the guidelines prior to their commencement.

Ergon Energy is also concerned that the definition of "unscheduled generation" is too broad and may have an unintended consequence and capture all solar photovoltaic connections to DNSPs networks. Ergon Energy therefore seeks clarification from the AEMC as to whether the policy intent behind this Rule envisages that this type of DSP information would be required to be submitted to AEMO. As a potential solution, Ergon Energy suggests that the AEMC consider making explicit in the Rule that the DSP information definitions are limited so that information is only provided when there is a material impact on the network or connection point of a particular size.

Finally, Ergon Energy recommends that clause 3.7D(c)(2) of the Draft Rule is amended to provide greater certainty to DNSPs by requiring a time when registered participants must

update and provide DSP information. For example, annually in line with AEMO's load forecasting obligations.

Should you require additional information, or wish to discuss any aspect of this submission, please do not hesitate to contact either myself on (07) 3851 6416 or Trudy Fraser on (07) 385 6787).

Yours sincerely



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