

16 September 2021

Ms Anna Collyer
Chair
Australian Energy Market Commission
GPO Box 2603
Sydney NSW 2001

Dear Ms Collyer,

Re: Integrating energy storage systems into the NEM (ERC0280) – Draft determination

Simply Energy welcomes the opportunity to provide feedback on the draft determination for the integrating energy storage systems into the National Electricity Market (NEM) rule change. Simply Energy is a leading energy retailer with approximately 750,000 customer accounts across Victoria, New South Wales, South Australia, Queensland and Western Australia. Since March 2018, Simply Energy has also been leading VPPx, which is an ARENA funded project to build the first virtual power plant (VPP) that integrates with a distributed energy market platform. Simply Energy is also collaborating with several distribution networks regarding opportunities for network-owned, retailer-leased, community batteries.¹

Simply Energy supports the Australian Energy Market Commission's (AEMC) proposal to introduce a new participant category and agrees that this would remove some barriers for storage and hybrid systems. This proposal appears to align with the Energy Security Board's two-sided market work and will enable an incremental transition to a universal category and trader-services model.

Currently, VPPs that are intended to be used to provide contingency frequency control ancillary services (FCAS) can be registered by a retailer by modifying their relevant Market Customer registration. It is not clear whether the AEMC's proposal would continue to permit this type of registration once a community battery aggregation is of a sufficient size to participate in contingency FCAS markets. Simply Energy would appreciate if the AEMC could clarify in the final determination whether community batteries (or an aggregation of these batteries) can continue to register with the Australian Energy Market Operator in this way before and after April 2023. Simply Energy also seeks clarity on whether formal registration will be required if the battery or aggregation is under 1 MW.

Simply Energy welcomes further discussion in relation to this submission. To arrange a discussion or if you have any questions please contact Matthew Giampiccolo, Senior Regulatory Adviser, at matthew.giampiccolo@simplyenergy.com.au.

Yours sincerely



James Barton
General Manager, Regulation

¹ For example, Simply Energy has partnered with United Energy for its 'Electric Avenue' program. Further information [here](#).