

Rule change submission

This proposal is considerably fairer than the first 2 proposed by the AEMC, given the fee will only payable under particular conditions, rather than a flat fee regardless of system size or exported amount. However the basic flaws remain, some of which are set out below.

1. Commercial power stations (renewable or fossil) are not expected pay to modify the grid to cope with their exports. For example Snowy Hydro 2 will require a connection to the rest of the transmission system that is expected to cost about \$3b. The proponents of this scheme expect this huge cost to be covered by some other party. The scheme will not be charged per GWh for the energy they export to the grid. Charging DER solar owners a tax to pay for modification of the network to cope with their miniscule exports cannot be justified?
2. When domestic air-conditioners became affordable several decades ago, huge expenditure on transmission and distribution infrastructure was required to strengthen the network to cope with the peak demand air-conditioners caused for a couple of hours per year. This expenditure was carried out at no cost to A/C owners. Instead the cost was added to the transmission and distribution Regulated Asset Base (RAB), from which these providers receive a guaranteed interest income from consumers for decades, including those who had yet to install A/C. One suspects that the proposed charges for network costs imposed by DER is a convenient way of raising revenue, as all grid connected solar installations are officially recorded, and the distributors thus know where they are and who owns them? Unlike even the smallest solar system, no approval is required and no record of A/C installations is collected.
3. One excuse for imposing charges is the cost imposed on distribution networks to cope with increased voltage caused by solar input. How do the proponents of this rule change explain persistent high voltages at night, when no solar power is being exported? The Australian standard range for voltage for the last several decades has been 230v +10%/-6% or 253v to 216v. The voltage at my home is rarely falls below 240v, even at night when consumption is low and there is no contribution from solar. I understand the need to set voltages at local transformers so that the closest customers don't get voltages that are too high, and those furthest away are not provided with low voltages. It is apparent that the distributors have failed to change most local transformer tap settings since the standard was changed to achieve the standard voltage range. This problem cannot be used as an excuse to impose a charge on solar exports.
4. The charitable proponents of the rule change justify it on the grounds that those who have not or cannot invest in a solar installation are subsidising those with solar. This argument takes no account of the lowering the cost of electricity to **all** consumers by the reduction of wholesale prices, due to price competition from DER, and reduction of demand on network generators. Non solar consumers get this advantage without making any investment. Granted the SRES contribution included in electricity retailer's invoices could be counted as a cost on non solar consumers, but this is offset by the reduction of the wholesale price to all consumers.
5. Finally on a personal note, I live in a group of 16 duplex town houses, which share a single 3 phase connection to the grid. It is highly likely that all the excess generation from our solar system is supplied to four or five of our neighbours who share the same phase, and never reaches the grid, or contributes to raising the grid voltage. It is thus highly unlikely to have contributed the need for grid upgrades. Why is it "reasonable" to charge me for providing this service to my neighbours, and the distributor?



Thank you for considering this submission.

Peter Youll
peter@youll.name