



**EnergyAustralia**

15 January 2018

Mr Chris Pattas  
General Manager – Networks  
Australian Energy Regulator  
GPO Box 520  
Melbourne VIC 3001

**EnergyAustralia Pty Ltd**

ABN 99 086 014 968  
Level 33  
385 Bourke Street  
Melbourne Victoria 3000

Phone +61 3 8628 1000  
Facsimile +61 3 8628 1050

enq@energyaustralia.com.au  
energyaustralia.com.au

Lodged electronically: [aer inquiry@aer.gov.au](mailto:aer inquiry@aer.gov.au)

Dear Mr Pattas

**Submission – Draft Amendments to the Electricity Network Service Provider Registration Exemption Guideline**

EnergyAustralia welcomes the opportunity to make this submission to the Australian Energy Regulator (AER) on the Draft Amendments to the Electricity Network Service Provider Registration Exemption Guideline 17 November 2017 (Draft Guidelines).

We are one of Australia's largest energy companies, with over 2.6 million household and business customer accounts in NSW, Victoria, Queensland, South Australia and the Australian Capital Territory. We also own and operate a multi-billion dollar portfolio of energy generation facilities across Australia, including coal, gas and wind assets with control of over 4,500MW of generation in the National Electricity Market (NEM).

**Transmission connection rule change**

EnergyAustralia recognises and supports AER's measures to incorporate relevant aspects of the AEMC's Transmission connection rule change into the Draft Guidelines. The creation of new classes of exemption to accommodate Dedicated Connection Assets (DCA) within the network exemption framework will assist to improve contestability in the provision of DCA services and greater clarity for connection to transmission networks.

**Generator and battery connections**

EnergyAustralia supports changes that will improve the strength, security and affordability of the National Electricity Market (NEM). We appreciate that with an increasing number of generating systems connecting to the NEM via exempt and/ or embedded networks there is increasing risk to system stability, particularly as they are not subject to the same Generator Performance Standards as directly connected generators. We agree that it is appropriate to have an interim measure to align the exemption classes with the AEMO's new threshold of significance (i.e. 5MW).

Similarly, we support the amendment to require exempt network service providers to consult with AEMO if they operate at a normal voltage of 11kV (reduced from 66kV) or more and

intend to install a generation asset (or assets) that will supply greater than or equal to 5MW aggregate into the NEM.

### **Embedded Network Manager**

We understand the AER's motivation to improve access to competitive retail offers for customers within embedded networks. We agree that providing the Embedded Network Managers contact details to the customer will facilitate the customer's ability to navigate the process of going on-market. Having said that we have concerns with providing the parent NMI to every customer on their bills; providing this number presents a risk that the NMI details will be misused (although not intentionally) and incorrectly interpreted by the new retailer to be the customers NMI resulting in an inadvertent transfer of the customers. While we appreciate this may be a small risk, the consequence far outweigh any benefit. We think that providing the ENM's contact details will be sufficient to allow the customer to commence the process.

### **Billing Frequency**

EnergyAustralia believes that monthly billing of customers is sufficiently frequent. Increasing bill frequency and therefore the number of meter reads for customers will increase the retail costs to serve those customers and ultimately contribute higher costs for customers. EnergyAustralia already offers customers flexible payment arrangements, whereby customers can pay as frequently as they choose.

EnergyAustralia welcomes the AER's steps to improve the contestability the provisions of DCA services and all moves to reduce risks to system stability.

Should you require further information regarding this submission please call me on (03) 8628 1242 or Samantha Nunan on (03) 8628 1516.

Yours sincerely

**Melinda Green**

Industry Regulation Leader