



Part of Energy Queensland

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Dear Mr Gulbenkoglou

### **Updating instruments for regulated stand-alone power systems**

Ergon Energy Corporation Limited (Ergon Energy Network) and Energex Limited (Energex), both distribution network service providers (DNSPs) operating in Queensland, welcome the opportunity to provide feedback to the Australian Energy Regulator (AER) on its review of the relevant instruments for regulated stand-alone power systems (SAPS). The instruments being amended include the following:

- Regulatory Investment Test for Distribution Application Guidelines
- Connection Charge Guidelines
- Distribution Service Classification Guidelines
- Distribution Reliability Measures Guidelines
- Regulatory Investment Test for Distribution
- Expenditure Forecast Assessment Guideline.

We have some specific comments in relation to the Distribution Reliability Measures Guideline, including the following:

- Although we support customer average interruption duration index (CAIDI) measurements being included as a SAPS reporting reliability performance index, it is important to note that CAIDI, as this stage, is not included in the Regulatory Information Notice (RIN) reporting process.
- The definition of customer should be amended to “Distribution Customer means a connection point between a distribution network and Customer that has been assigned a National Metering Identifier, including energised only connection points and active account but excluding unmetered connection points.” This will ensure that de-energised customers are not included and aligns with distribution reliability reporting obligations.
- In relation to the definition of a SAPS feeder, we suggest that the definition be amended to “SAPS feeder means a feeder that services a regulated stand-alone power system (SAPS)” instead.

- As DNSP-led SAPS are meant to provide customers with adequate reliability and protection as if they were deemed to be grid connected, load shedding exceptions numbered (1)-(3) should not exception out SAPS feeders.

Ergon Energy Network and Energex also have some general minor drafting issues which are outlined in the table below:

Instrument	Reference	Issue
Application guidelines Regulatory investment test for distribution	B - Glossary	Move new definition of "Industry engagement register" to correct place alphabetically.
Application guidelines Regulatory investment test for distribution	B - Glossary	Move new definition of "Options screening report" to correct place alphabetically.
Application guidelines Regulatory investment test for distribution	B - Glossary	Insert a definition of "SAPS performance and supply standards" as it is used in the definition of "Reliability corrective action" but defined in section 3.1 (Identified Need). Suggest moving the large explanation in section 3.1 to become the definition in the Glossary.
Connection charge guidelines for electricity retail customers	Section 12 Definitions	The defined term "Register Participant" should read "Registered Participant".
Connection charge guidelines for electricity retail customers	Section 12 Definitions	The terms "NEL" and "NER" which are used throughout the guidelines and in newly added definitions in Section 12 are not defined in the guidelines. It appears that the previous drafting convention was to include a full definition and use footnotes to indicate whether it came from the NEL or NER.

Should the AER require additional information or wish to discuss any aspect of this submission, please contact either myself, on [REDACTED] or Alena Christmas on [REDACTED]

Yours sincerely

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