

8 July 2021

Mr Mark Feather
General Manager
Australian Energy Regulator

AERringfencing@aer.gov.au

Our Ref: 2021/495630

Dear Mr Feather

Electricity Ring-fencing Guideline review

Northern Beaches Council is proud to be the first council in NSW to host a network provided community battery.

Northern Beaches Council is supportive of the Ausgrid community batteries program and our residents want more installed in our Council area.

Our current solar up take is approximately 65,655kW across more than 11,500 residential installations. We believe that with access to a storage option that is cheaper than purchasing individual batteries, our solar penetration will increase.

We understand that the AER is proposing Draft Ring-fencing Guideline Version 3 (electricity distribution) that means network distributors would need to apply for a ring-fencing “waiver” for each new battery to be installed.

We are advised that if this waiver requirement is implemented it would introduce a level of uncertainty and delays to further battery rollout, which is not what our community wants to see.

It is not clear that there is a sufficient evidence base to support this waiver requirement particularly if it will slow down the introduction of this type of innovative infrastructure in our communities

In such an immature market, regulatory intervention now has the potential to significantly limit innovative solutions, before we have confirmed the benefits to community and the electricity network.

A fragmented approach to community-scale batteries could see numerous smaller batteries being deployed that clutter streetscapes and require greater administration and oversight by Councils.

We would like to have more time to fully consider the potential impacts, in order to be in a better position to make a submission as part of the AER’s consultation program.

Our position remains that we support the role out of community batteries by network operators.

Should you require any further information or assistance in this matter, please contact my office on (02) 8495 6320.

Yours faithfully

A handwritten signature in blue ink, appearing to read 'Todd Dickinson', with a long horizontal flourish extending to the right.

Todd Dickinson
Director Environment & Sustainability