

6 August 2018

Ms Daniela Moraes
Adviser & Project lead: DER Registry Rule
Australian Energy Market Commission
201 Elizabeth St
Sydney NSW 2000

By email: daniela.moraes@aemc.gov.au

Dear Ms Moraes,

**RE: Submission to draft rule determination – National Electricity Amendment
(Register of distributed energy resources) Rule 2018**

GreenSync welcomes the opportunity to provide further comments on the proposed Register of distributed energy resources (DER register) and specifically, the draft determination and draft rule.

A recap

The AEMC would recall from our April 2018 submission that we provided ‘in principle’ support for a DER Register on the basis that the rule change was responding to emerging gaps in information requirements, data collection and DNSP approaches to connection of – and communication with – distributed energy resources (DER).

Our comments were informed by a specific interest to understand the parameters around data capture, retention, sharing and consumer and business privacy in light of our existing collaborations on the decentralised energy exchange (deX). We also provided comment on the merits of having a dynamic digital register and endorsed the view that Distribution Network Service Provider (DNSPs) are best placed to facilitate data collection. We encouraged the AEMC to embrace a ‘carrot and stick’ approach for ensuring compliance and also cited a number of national energy data projects already underway that would ideally inform the Commission’s thinking around establishing a registry.



The Commission's draft determination addresses and satisfies most of the matters we raised in our first submission, however there remain a number of issues we believe warrant further consideration.

Need for the register

We appreciate there are myriad benefits for device orchestration and power system security of maintaining and updating a register of DER devices but remain concerned about the longevity of a static data repository.

We agree with the AEMC's assertion that "establishing the register is considered to be an appropriate first step towards increasing visibility over DER"¹ and commend all parties involved in driving this rule change forward. However, as posited by many parties, incentives for DER owners will be critical for achieving an appropriate level of compliance that will deliver a strong evidence base for making sound decisions about the energy system. With uptake of residential batteries and electric vehicles due to surge over the next decade, it is highly doubtful that a static register could keep pace with such technological advances.

Governance

On the matter of governance, we note that the draft rule requires AEMO to consult with network service providers and "other interested parties" when developing the DER register information guidelines. In our initial submission we urged the Commission to make provisions for a cross-industry, collaborative approach to designing the registry to ensure the views and expertise of other parties were harnessed from the outset of the process.

As we move towards more transactive energy markets, the volume of other parties operating in the NEM will expand, introducing a host of challenges around coordination and dissemination of vital data and information. deX, the digital marketplace GreenSync and its partners are driving, is one example of a new energy ecosystem that will generate enormous amounts of data, relevant to the operation of the NEM.

The Commission acknowledges there are a wide range of parties that hold information on DER installations. It notes that each of these parties could assist in collecting and reporting data but says their ability to provide the data and cost of reporting would vary. The Commission also notes that placing obligations on different parties would likely result in duplication of data and unnecessary costs, and concedes

¹ AEMC, *Draft Rule Determination – National Electricity Amendment (Register of distributed energy resources) Rule 2018*, 26 June 2018, p 69.

that placing enforceable obligations on parties would require changes to national energy laws. However, the Commission stops short of recommending how other parties could be meaningfully engaged in the process of designing and implementing a register for the benefit of the NEM.

Ensuring that other parties are wholly engaged by AEMO in determining the data fields and collection processes for the DER register is critical for achieving uniformity across the energy landscape as DER uptake grows. It would also set an important precedent for how the sector should collaborate into the future to avoid duplication of effort and processes.

Compliance

On the matter of compliance, we consider incentives for DER asset owners critical for driving high levels of compliance. We, along with numerous other parties, have provided insight into how this could be done. For example, value streams emanating from markets (like deX) are ideal 'carrots' for both new DER deployment and historic updates. However, concerns around privacy and the use of information provided by individuals to third parties warrant significant attention to ensure the appropriate privacy protections are in place.

The Commission may find it useful to examine the progress of an incentive scheme initiated by Ergon Energy and Energex in March 2018 whereby home battery system owners were incentivised to report their system in exchange for a one-off payment of \$50. While DNSPs will likely be responsible for designing their own incentive schemes under the proposed rule change, clear advice from the Commission in its final determination about the utility of these sorts of schemes would be instructive for all parties.

In closing

GreenSync welcomes the opportunity to expand on the comments outlined above and to respond to any questions from the Commission in relation to deX and the potential role it can play in enabling incentives and data capture.

Yours sincerely,



Bruce Thompson

Chief of Strategy and Partnerships