

14 March 2019

Mr Pierce
Chair
Australian Energy Market Commission
PO Box A2449
Sydney South NSW 1235

Via online submission

Dear Mr Pierce

**RE EMO0036 – UPDATING THE REGULATORY FRAMEWORKS FOR EMBEDDED NETWORKS
DRAFT REPORT**

TasNetworks welcomes the opportunity to make a submission to the Australian Energy Market Commission's (AEMC) draft report *Updating the Regulatory Framework for Embedded Networks*.

As the Transmission Network Service Provider (TNSP), Distribution Network Service Provider (DNSP) and jurisdictional planner in Tasmania, TasNetworks is focused on delivering safe and reliable electricity network services while achieving the lowest sustainable prices for Tasmanian customers. The jurisdictional application of the National Energy Retail Rules excluded the retail exemption framework. This has caused some confusion in Tasmania with regards to the application of the network exemption regime evidenced by the fact that there are few registered embedded networks in Tasmania. TasNetworks is aware there are a number of embedded networks operating within Tasmania and a number of configurations whose physical connections closely resemble an embedded network but with different metering configurations. Given the potential for increasing retail competition in Tasmania, TasNetworks supports the intentions of updating the regulatory framework for embedded networks thereby enabling the provision of improved consumer provisions for customers and clarifying roles and responsibilities.

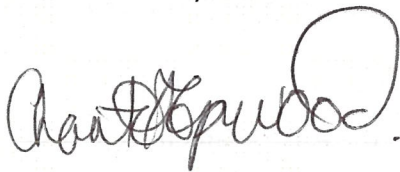
TasNetworks would like to add some specific comments in relation to planned interruptions and life support notifications.

Current practices for customers connected directly to the NEM, specify that when there is a planned interruption customers are to be provided with a minimum notice of four days. TasNetworks supports the current proposal for this to remain unchanged and for ENSPs to have an obligation to pass on the notification in a timely manner. While we note this would mean customers in embedded networks would have a shorter notification timeframe we believe the cost to DNSPs of having to manage two different notification timeframes (a longer timeframe to allow ENSPs to turn around the notification and still provide the end consumer with four days' notice) would outweigh the benefits. The likely outcome would be for DNSPs to provide all customers with a longer notification period which will have costs in loss of flexibility in managing the DNSP's work program.

With life support notifications, TasNetworks notes that according to the draft report that the DNSP would be notified by the retailer at the child connection point or the ENSP that there is a customer with life support requirements within that embedded network. As this is just a flag within the system there is no indication of how many customers within an embedded network may actually have this requirement. There are concerns around being able to accurately track all of the customers with this requirement within an embedded network so that the flag is not inadvertently removed when a customer with life support requirements moves out, but others with similar requirements remain within the embedded network.

TasNetworks would welcome the opportunity to discuss this submission further with you. Should you have any questions, please contact Tim Astley, Team Leader, via email (tim.astley@tasnetworks.com.au) or by phone on (03) 6271 6151.

Yours sincerely

A handwritten signature in black ink, appearing to read 'Chantal Hopwood', with a large, stylized loop at the end.

Chantal Hopwood

Regulation Leader