

NATIONAL ELECTRICITY AMENDMENT (TRANSPARENCY OF NEW PROJECTS) RULE: INTRODUCTION AND SUMMARY

The Energy Users Association of Australia (EUAA) is the peak body representing Australian energy users. Our membership covers a broad cross section of the Australian economy including significant retail, manufacturing and materials processing industries. Combined they employ over 1 million Australians, pay billions in energy bills every year and are desperate to see all parts of the energy supply chain making their contribution to the National Electricity Objective. Our members are highly exposed to movements in both gas and electricity prices and have been under increasing stress due to escalating energy costs.

These increased costs are either absorbed by the business, making it more difficult to maintain existing levels of employment or passed through to consumers in the form of increases in the prices paid for many everyday items.

The EUAA is broadly supportive of the intentions of all three rule change proposals. The energy transition to lower carbon generation is happening quickly and networks and AEMO need to have the necessary levers to ensure efficient investment decision making to minimise the costs passed on to consumers.

We do not have sufficient knowledge to be able to comment on the specific issues raised in the Consultation Paper given our members are not usually in the business of developing new generation. However, we offer the following general comments:

Question 1	<ul style="list-style-type: none"> We agree with the proposed assessment framework. Efficient investment decisions are underpinned by timely and transparent information. The extent of this information disclosure should be assessed on a balance of costs and benefits
Questions 2 and 3	<ul style="list-style-type: none"> We can see the benefits of new project proponents registering as intending participants and the access to information that this will bring. We are unsure of the potential gaming impacts of giving this information to developers or special purpose vehicles that do not intend to participate in the market or formally registering as a generator in the future. Our overall objective is more information, improved collaboration to reduce costs to consumers. To the extent that this might require detailed rules around which category of new project proponents gets this expanded information, we leave to AEMC.
Question 4	<ul style="list-style-type: none"> Provision of information in a timely manner is crucial to the changes being effective. The AEC’s proposal for registration to occur when submitting the connection application to the NSP seems reasonable
Question 5	<ul style="list-style-type: none"> We agree with the need to have a de-registration procedure that prevents intending participants registering simply to gain commercially sensitive information. DE-registered parties should be required to return/destroy any information obtained in the process
Question 6	<ul style="list-style-type: none"> We agree that informing AEMO of any material changes (with guidance as to what constitutes “material”) to projects within 10 business days is reasonable as is use of an online portal
Question 7	<ul style="list-style-type: none"> We agree with the range of information ENA proposes that TNSPs release in their TAPR.
Question 8	<ul style="list-style-type: none"> We agree with the ENA’s proposed timing of information provision
Question 9	<ul style="list-style-type: none"> Yes we agree with the fundamental proposition that increased information transparency is required for better co-ordination

<p>Questions 10 and 11</p>	<ul style="list-style-type: none"> • The issue of confidentiality is important. There is a balance between the benefits to consumers of transparency and the need to protect legitimate commercial interests. • The volume of applications being received by TNSPs suggests that the reasoning used in the 2009 Grid Australia rule change request do not apply now • We generally support the ENA’s suggested approach. Perhaps the AEMC might consider an approach where the onus of proof on whether a particular information field is confidential is on the developer/intending participant.
<p>Question 12</p>	<ul style="list-style-type: none"> • We support the AEC’s proposal for more regular updating of AEMO’s generation information page. We think that quarterly reporting is reasonable.

Our final comment is around the application of these rule change proposals just to TNSPs. It seems to us that they have similar benefits for DNSPs.

Regards



Andrew Richards
Chief Executive Officer