



April 2024

Anna Collyer

Chair

Australian Energy Market Commission

GPO Box 2603

Sydney NSW 2000

Submission to the CER Benefits through flexible trading: Draft Determination

Dear Ms Collyer,

The Smart Energy Council welcomes the AEMC's interest and efforts to unlock consumer energy trading. Integrating consumers better into the energy market is a critical part of the energy transition, and much more needs to be done to realise the opportunities in Australia's record rooftop solar and rapidly growing network of distributed consumer energy products.

The Smart Energy Council supports the AEMC interest to simplify the co-ordination required by the Consumer in managing various flexible and non-flexible loads. We cannot have a peer-to-peer energy market, as is planned for the long-term future of a highly distributed energy system, if small customers are highly involved in metering co-ordination or communication.

The Smart Energy Council position is that the end game for distributed energy is peer to peer energy trading. Of course, we are still a long way from that, but we must have the whole of system plan in mind when investing in energy infrastructure that will be passed onto consumers. The necessary future of peer-

THE INDEPENDENT BODY FOR THE SMART ENERGY INDUSTRY IN AUSTRALIA

PO BOX 231, MAWSON ACT 2607
INFO@SMARTENERGY.ORG.AU
SMARTENERGY.ORG.AU
ABN 32 006 824 148

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A decorative graphic in the bottom right corner consisting of several parallel, slanted green lines of varying lengths, creating a sense of movement and energy.

to-peer trading will be enabled by providing new energy service providers, retailers and other aggregators the opportunity to offer innovative business services and businesses, not an overly complex network of metering arrangements, where only price signals are passed onto the parent meter.

Please see our submission points below for more.

Empowering Consumer Energy Resources

- While we support metering changes for the large commercial customers, “much more comprehensive measures are necessary to fully maximise CER flexibility and ensure that consumers reap the rewards of their investments” (Nexa Advisory Submission to the rule change)

The new rule changes must put innovation that accelerates uptake of orchestrated consumer energy products through new business models and market players.

- A more affordable Smart Energy grid has to come from enabling aggregators and other energy co-ordinators to efficiently manage metering arrangements. Subtractive metering arrangements must be opened up to third party metering co-ordinators, aggregators or potentially through AEMO for network charges to be levied to the child connection point to enable more efficient energy performance.
- The second metering point must not be made mandatory for small consumer loads, as defined by the rule change. Customer optionality must be prioritised over centralised control, in the current market context. A mandate would allow a several unique additional conditions to be inserted by different DNSP’s across the country, limiting the capacity for the innovation of new market players to unlock the best value for consumer energy.

Data Sharing

The Smart Energy Council supports the mandate to share secondary meter data past AEMO and the retailer to DNSPs to facilitate better management of the distribution network that benefits the entire grid.

The Smart Energy Council also urges and echo's the submission call by Nexa Advisory 'To foster new innovative business models for flexible CER and promote competition, it is imperative that DNSPs publicly share all network operational data.'

The DAPR is now out of date for the technology and business innovation present in the market today and is not fit to adequately share information with other market participants, given the intent to unlock trading in consumer energy.

The Smart Energy Council would like to thank Stephanie Bashir, at Nexa Advisory for her research, reports and advocacy in this critical area. We also thank her for her important role on the Smart Energy Council Board.

Large Customers in CER

The Smart Energy Council welcomes the attention on enabling large customers to utilise their flexible loads in the distribution network to better access benefits from participation in the wholesale energy markets. The creation of a second metering point is also welcomed at the large scale to facilitate the rapid deployment of EV charging stations in various commercial arrangements.

Your Sincerely

Wayne Smith, Head of External Affairs

For comments or further discussion please reach out to Wayne Smith at
wayne@smartenergy.org.au