

18 July 2024

Anna Collyer
Chair
Australian Energy Market Commission
60 Castlereagh St
Sydney NSW, 2000

Upload via AEMC website: *Rule change no's ERC 0395 – gas; ERC0396 – demand-side; ERC0397 – community sentiment.*

Dear Ms Collyer,

Re: Enhancing the Integrated System Plan (ISP) rule change package

Evoenergy welcomes the opportunity to provide a submission to the Australian Energy Market Commission's (AEMC's) consultation paper on enhancing the ISP rule change package. We understand that the group of rule changes submitted by Minister Bowen relate to the fitness for purpose of the ISP in supporting the energy transition, and consideration of whether greater integration of gas could improve the analysis in the ISP.

Evoenergy owns and operates the electricity distribution network in the Australian Capital Territory (ACT) and gas distribution networks in the ACT and the Queanbeyan–Palerang Regional Council and Shoalhaven City Council local government areas of New South Wales.

Better integrating gas into the ISP (rule change ERC 0395)

Evoenergy supports the intent of the rule change in allowing AEMO to have a deeper consideration of gas markets to better reflect the interplay between gas and electricity in the ISP analysis and scenarios. As an operator of both an electricity and a gas network, we are actively exploring the impacts of electrification of the ACT's energy system, including the transition off gas in line with the ACT Government's net zero policy¹ and timelines and initiatives set out in the recently released Integrated Energy Plan.² The pace of the transition in the ACT means that we are focused on total energy solutions for which robust data and modelling is paramount to support optimal outcomes for consumers. The ISP scenarios provide a valuable all of system, National Electricity Market-wide view which serves as a useful reference to assist in understanding future demand expectations to identify future network and non-network investments needed to support the energy transition.

Improving consideration of demand-side factors in the ISP (rule change ERC 0396)

Requirements for AEMO to expand analysis of consumer energy resources (CER) and distributed resources

¹ https://www.climatechoices.act.gov.au/__data/assets/pdf_file/0003/1414641/ACT-Climate-Change-Strategy-2019-2025.pdf

² https://www.climatechoices.act.gov.au/__data/assets/pdf_file/0006/2509458/integrated-energy-plan-2024-2030.pdf

We understand that the overall purpose of the rule changes is to give more rigor to AEMO forecasting allowing better informed investment decisions by market participants. By directing AEMO to expand its consideration of demand-side factors, the analysis will show where constraints are in distribution networks to allow assessment of where any growth might be curtailed. In its 2024 ISP, AEMO³ noted that the take-up of rooftop solar, electric vehicles and hot water pumps has the potential to reduce the need for utility-scale solutions. This prediction assumes an effective level of integration and coordination of consumer energy resources, which primarily occurs at a distribution network level. No distribution network has developed this capability yet.

To achieve this, Evoenergy encourages AEMC to emphasise the need for better utilisation of data that is already provided when seeking more comprehensive analysis of demand-side factors as part of the rule changes. For example, the AER already collects consumer energy resources (CER) export information at a granular level. Once the rule change directs or allows AEMO to further consider orchestrated CER and distributed resources in its ISP analysis, then these existing data sources can be drawn upon without any cost imposed on the distribution networks, who already have significant reporting responsibilities.

Role of the AER in setting obligations on networks to provide data

The rule change also proposes to place a mandatory requirement on distribution networks to provide the relevant data, with the process and form of the data to be outlined in a guideline. Evoenergy agrees that AEMO should develop the guideline with the AER in close consultation with other stakeholders, including distribution network service providers. This would enable the AER to map existing data provided by networks in existing regulatory obligations (such as regulatory information notices and orders, distribution annual planning reports, export service reporting, etc.) to provide a consistent approach and minimise the additional regulatory burden and cost.

Evoenergy has no comments on rule change ERC0397 – community sentiment in transmission planning at this stage.

We look forward to continued engagement on these changes. Should you wish to further discuss matters raised in this submission, please contact Eddie Thanavelil, at eddie.thanavelil@evoenergy.co.au

Yours sincerely



Peter Billing
General Manager – Evoenergy

³ [AEMO | 2024 Integrated System Plan \(ISP\)](#)