

12 May 2016

Su-Min Lim
Australian Energy Markets Commission
PO Box A2449
Sydney South NSW 1235
Submitted via AEMC website - ERC0204

Dear Su-Min,

RE: Registration of new types of generation

Thank you for the opportunity to provide comment on the Australian Energy Market Commission's (AEMC's) Registration of Proponents of New Types of Generation Consultation Paper (Consultation Paper). We note the Consultation Paper has been prepared to facilitate public consultation on AEMO's rule change request to amend the definition of the term 'generating unit' in Chapter 10 of the National Electricity Rules (NER).

Stanwell congratulates AEMO for proactively identifying the issue and proposing a sensible solution. Stanwell agrees that the definition of 'generator' should not implicitly limit the technology type of the potential generator. We have two issues for the AEMC to consider while deliberating this rule change request.

Coverage of emerging technologies

While the rule change proposal appears focussed on discrete, typically large, generating units, Stanwell considers it important to ensure that the definition considers the increasing use of aggregation in the NEM. This applies particularly to small generating units and controllable storage devices which are eligible for individual exemption and yet may be aggregated and centrally controlled. Stanwell is concerned that without appropriate consideration of aggregated portfolios of generators (who are likely to be price sensitive) market transparency will suffer. Stanwell elaborated on these concerns in our response to the AEMC's Integration of Energy Storage investigation¹.

Interaction with Renewable Energy Target

Stanwell notes that the Renewable Energy (Electricity) Act 2000 (REE Act) refers to the NER including the NER's definition of the registration of end users. Stanwell request the AEMC consult with the Clean Energy Regulator to ensure the expanded definition of generators does not inadvertently increase the Renewable Energy Target liability for customers.

Thank you for your consideration of Stanwell's response to the Consultation Paper. If you would like to discuss this submission, please contact Jennifer Tarr on 07 3228 4546.

Regards

Luke Van Boeckel
Manager Regulatory Strategy
Energy Trading and Commercial Strategy

¹ Stanwell's submission is available at <http://www.aemc.gov.au/Major-Pages/Technology-impacts>