



20 February 2014

Mr John Pierce
Chairman
Australian Energy Market Commission
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Sydney South NSW 1235

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Southbank VIC 3006

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Dear Mr Pierce,

Submission on connecting embedded generators draft final rule

We have reviewed the draft final rule and position paper. Australand Property Group is pleased to provide this submission with regards to the above mentioned ruling.

Australand is one of Australia's leading diversified property groups. Australand has three operating divisions being Commercial & Industrial, Residential and Investment Property. It employed 560 permanent staff members as at 30 December 2013. Its operations are located in Sydney, Melbourne, South East Queensland, Adelaide and Perth and a sales office in Hong Kong servicing the Asian market. As at 30 December 2013, the Investment Property division had a total portfolio value of \$2.3 billion consisting of 70 commercial and industrial properties.

We have completed a number of projects that have incorporated sustainable design features to improve building efficiency, reduce operating costs and minimise environmental impact. We have developed over 220,000m² of Green Star projects and have an average NABERS Energy rating for our office portfolio of 4.2 stars, representing best practice energy efficiency.

The new rule will advance connections for embedded generators and meets the needs of electricity customers.

The Commission should implement the new rule by 1 October 2014, or sooner, as it has already taken longer than expected. Also, the Commission has provided ample consultation to all stakeholders.

We recommend that proposed rule 5.3.6 (b3) should include that DNSPs may not unreasonably withhold consent to an applicant's extension of the 20 business day offer to connect. This feature will be given to DNSPs by applicants at the preliminary and detailed response stages by applicants.

The Commission should also require DNSPs to publish the makes and models of embedded generators that are connected to DNSPs' networks. This was agreed to at the November 2013 workshop, but is not included in the draft final rule or position paper.

Finally, we believe the validity period between the detailed response and application stages should be re-established. A six month period would be appropriate, an extension may be granted if the connection applicant and DNSP agree, and consent may not be unreasonably withheld by either party.



This improvement would provide the whole connection process with consistency as flexible validity periods are provided in other stages for applicants and DNSPs.

On a practical level, this is a critical part of the connection process; one that makes or breaks projects. Multiple parties sign contracts and investors need confidence about the viability of projects. The absence of a validity period at this point could reduce investor confidence and derail projects.

Please do not hesitate to contact me should you wish to discuss this any further.

Kind regards,

A handwritten signature in blue ink, appearing to read "Paolo Bevilacqua". The signature is fluid and cursive, with the first name "Paolo" being more prominent than the last name "Bevilacqua".

Paolo Bevilacqua
National Sustainability Manager
Australand Property Group