

2017-06-17

Australian Energy Market Commission

To whom it may concern

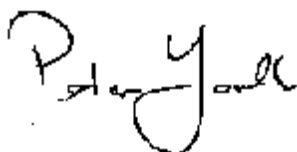
**Submission on proposed Distribution Market Model rule change (SEA0004)  
Question 4 – proposed deletion of clause 6.1.4 of the NER**

I am one of the more than 1.6m home owners in Australia with a domestic solar power installation. My home is one of 16 duplex strata titled townhouses, but is the only one with a solar installation. All 16 homes are connected to the grid via a single connection. It is therefore highly probable that all the energy that my system feeds back toward the grid is consumed by my neighbours, never reaches the grid, nor imposes any technical requirements or costs on the operation of the grid. If clause 6.1.4 of the NER is deleted as suggested, it would be likely that we would be unfairly charged for a service we have no need of.

I understand my situation is unusual, however there are several other reasons why this clause should **not** be deleted.

- The advice of experts is that there is very little evidence that solar installations impose significant engineering costs on networks until there are systems on at least a 40% of connected properties.
- If there are any additional costs they can largely be recovered through connection charges, which can be varied according to location and capacity.
- The trivial cross-subsidy caused by the lower total consumption by solar owners can be eliminated by moving to more cost reflective network and retail tariffs, implementing connection charges partly based on peak usage and less on the amount used.
- The deletion of this rule would contradict recent evidence from the Victorian Essential Services Commission detailing the numerous benefits of rooftop solar to the networks.
- Any further increase in the costs of a connection to the grid for solar owners would provide encouragement to install more generation capacity and storage, further reducing consumption from the grid and making it feasible for some to disconnect. This would further reduce the customer base from which the networks can extract their guaranteed revenues.

Yours sincerely

A handwritten signature in black ink, appearing to read 'Peter Youll', written in a cursive style.

Peter Youll