



# DER Integration rule change requests – Technical Working Group Meeting 4 – Updating framework – 29 October 2020 Meeting minutes

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The fourth meeting was held virtually on 29 October 2020.

Meeting attendees are listed below.

Member	Organisation
Kurt Winter	AGL Energy, Melbourne
Alida Jansen Van Vuuren	Ausgrid, Sydney
Alexandra Sidorenko	Ausgrid, Sydney
Anthony Seipolt	Australian Energy Regulator
Dale Johansen	Australian Energy Regulator
Jon Sibley	Australian Renewable Energy Agency, Sydney
Frans Jungerth	CitiPower/Powercor/United Energy
Kirrily Noonan	Department of Environment, Land, Water and Planning, VIC
Lucy Moon	Energy Networks Australia
Mark Majzoub	ENGIE
Anders Sangkuhl	Essential Energy, Queanbeyan
Eddie Thanavelil	Evoenergy
Linda O'Mullane	Hub Energy
Christopher Stewart	Jemena
Matthew Serpell	Jemena
Con Noutso	Lumo Energy
Lance Hoch	Oakley Greenwood
Tim Ryan	Ready.Energy
Dean Lombard	Renew
Bryn Williams	SA Power Network
Bruno Coelho	SA Power Network
Gavin Dufty	St Vincent De Paul Society, Victoria
Scott Lancaster	TasNetworks
Emma Fagan	Tesla, Melbourne
Mark Byrne	Total Environment Centre
Naomi Stringer	University of NSW

The AEMC's project team chaired the meeting. Staff who attended are listed below.

Name	Position
Ed Chan	Director – Distribution and Transmission networks
Jashan Singh	Adviser – Distribution and Transmission networks
Rupert Doney	Adviser – Distribution and Transmission networks
Anthony Bell	Technical Specialist
Lily Mitchell	Senior Lawyer

## **1. Purpose of TWG**

The AEMC formed the Technical Working Group (TWG) to seek stakeholder advice and input on the following three rule change requests:

- Access, pricing and incentive arrangements for distributed energy resources (ERC0311 and RRC0039)
- Allowing DNSPs to charge for exports to the network (ERC0310)
- Network planning and access for distributed energy resources (ERC0309).

At the start of the meeting the relevant paragraph from the AEMC's competition protocol for the working group was read out. A copy of the of the protocol was provided to each member of the group prior to the meeting.

## **2. AEMC presentation and TWG discussion**

The group discussed how export prices would practically be implemented, if the Commission is to remove the prohibition on export pricing.

The following topics were discussed:

- The role of prices in signalling both the cost and benefits of services used and delivered
- How would export pricing be implemented through the TSS process, and whether changes would need to be made

## **3. Next steps**

The Project team thanked participants for their time and noted further TWG meetings will be scheduled

# Australian Energy Market Commission

## DER integration working group protocol

### Context and purpose

The AEMC is establishing a working group with energy sector members to discuss rule changes to better facilitate the efficient integration of distributed energy resources (DER) into distribution networks.

The Working Group is committed to complying with all applicable laws, including the *Competition and Consumer Act 2010 (CCA)*, during these discussions. Breach of the CCA can lead to serious penalties for members and for individuals involved in any breach (including large financial penalties and potentially also imprisonment for key individuals involved).

**This Protocol governs the way in which Working Group discussions will proceed, and the Working Group agrees to adhere to this protocol in order to ensure compliance with the CCA.**

### Key principles

The purpose of this Working Group is solely to discuss DER integration regulatory reform issues.

Each member **must make an independent and unilateral decision** about their commercial positions and approach in relation to the matters under discussion in the Working Group.

This Working Group **must not discuss, or reach or give effect to any agreement or understanding\*** which relates to:

- **pricing** for the products and/or services that any member supplies or will supply, or the terms on which those products and/or services will be supplied (including discounts, rebates, price methodologies etc)
- **targeting (or not targeting) customers** of a particular kind, or in particular areas
- **tender processes** and whether (or how) they will participate
- any decision by members:
  - about the purchase or supply of any products or services that other members also buy or sell
  - to not engage with persons or the terms upon which they will engage with such persons (i.e. boycotting); or
  - to deny any persons access to any products, services or inputs they require.
- **sharing competitively sensitive information** such as non-publicly available pricing or strategic information including details of customers, suppliers (or the terms on which they do business), volumes, future capacity etc
- **breaching confidentiality obligations** that each member owes to third parties.

\* An “understanding” does not have to be formal; a “nod and a wink” is enough if one party commits to act in a particular way.

### Communication & meeting guidelines

Members must ensure that **all communications** (including emails and verbal discussions) adhere to the Key Principles. All meeting between Working Group members should be conducted in accordance with the following rules:

- Agree and circulate an agenda in advance of each meeting. The content of each agenda should not include anything that could contravene the Key Principles set out in this Protocol, and try to avoid “any other business” agenda items.
- Ensure all members understand ahead of the meeting that any competitively sensitive matters must be subject to legal review before any commitment/agreement can be given.
- The below ‘competition health warning’ is read and minuted at any meetings or conference calls:
  - *Attendees at this meeting must not enter into any discussion, activity or conduct that may infringe, on their part or on the part of other members, any applicable competition laws. For example, members must not discuss, communicate or exchange any commercially sensitive information, including information relating to prices, marketing and advertising strategy, costs and revenues, terms and conditions with third parties, terms of supply or access.*
  - *For any new attendees – please note that participating in these discussions is subject to you having read and understood the Protocol including the Key Principles. If you have not yet done so, please do so now.*
- Accurate minutes are kept of all meetings, including details of attendees.
- If something comes up during a meeting that could risk contravening any Competition Laws, attendees should:
  - Object immediately, and ask for the discussion to be stopped.
  - Ensure the minutes record that the discussion was objected to and stopped.
  - Raise concerns about anything that occurred in the meeting with their respective legal counsel immediately afterwards.
- Any decision about whether, and on what terms, to engage with customers and suppliers is an independent and unilateral decision of each member.