

e-newsletter – November 2018



Keeping you up to date on Demand Management activities



Welcome to our November edition of our demand management e-newsletter.

The AER's draft Determination for NSW electricity distributors have been published and two important reviews into the value of customer reliability and stand-alone power systems are now underway. The Determinations set revenue for distributors for the next five years and the reviews have the potential to significantly influence the energy industry into the future.

All offer the opportunity for you to contribute. Don't delay, get stuck in now!

Happy reading

Craig Tupper
Demand Management and Forecasting Manager

In this edition

- AER's Determination on Ausgrid's Regulatory Proposal for 2019-2024
- AEMC review of Stand Alone Power Systems
- AER consultation on Values of Customer Reliability
- AER Final Rule on Distributed Energy Resources Register

AER's Determination on Ausgrid's Regulatory Proposal 2019-2024

The AER published its draft decision on the electricity distribution determination for Ausgrid on 1 November for the period covering 1 July 2019 to 30 June 2024. Ausgrid has the opportunity to submit a revised proposal in response to the draft decision by 8 January 2019.

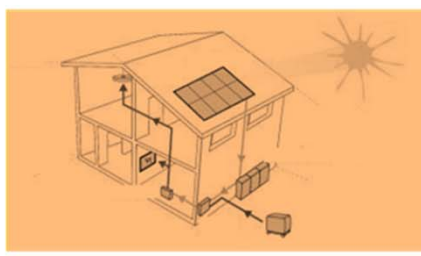
The AER approved a step change in operating expenditure of \$8.5 million for demand management to defer \$29.0 million in replacement expenditure beyond the 2019-24 period. Also included in the draft decision was the AER's approval for Ausgrid's application of the Demand Management Incentive Scheme and Demand Management Innovation Allowance.

A stakeholder forum will be held on Tuesday 13 November in Sydney by the AER on its draft decisions for Ausgrid, Essential Energy and Endeavour Energy.

We encourage all stakeholders and interested parties to share their views and attend this event by **registering by 8 November** at NSW2019-24@aer.gov.au

Stakeholders may also make written submissions on the AER's draft decision and our revised proposal by *5 February 2019*, following which the final decision to be released by the end of April 2019.

To read the AER's draft determination on Ausgrid's proposal, please click [here](#).



AEMC's Stand-Alone Power Systems – Have Your Say

In September 2018 the AEMC initiated a review of the regulatory arrangements for stand-alone power systems under national energy laws. The review is focussed on addressing law and rule changes required to enable a national framework that supports DNSP's to develop off-grid supply arrangements with their customers (stage 1) as well as enabling other non-DNSP's to supply electricity from stand-alone power systems (stage 2). Submissions on the paper closed on 9 October.

The AEMC indicates they will publish a draft report in December 2018. We encourage you to have your say on this important issue.

To read the issues paper and submissions, please click [here](#).

Values of Customer Reliability Review – AER Determination is now open for consultation

The AER published a consultation paper in October to initiate its review to determine the values different customers place on having a reliable supply of electricity. The VCR is an important input into the cost benefit assessment for identified network investment needs. The review will focus on the necessary requirements for developing a methodology for estimating VCRs, including a mechanism for directly engaging with retailers and other customers to determine these values and a mechanism for adjusting VCR on an annual basis.

Submissions are currently open until 16 November 2018 for comment and we encourage you to provide your feedback.

For more information about the final rule and providing submissions, click [here](#).



Final Rule on Distributed Energy Resources (DER) Register

In September 2018 the AEMC published its final rule for the Australian Energy Market Operator (AEMO) to establish a register of distributed energy resources, such as solar PV systems and small battery storage systems across the national electricity market. AEMO is required to publish information guidelines for the register by 1 June 2019 and the new register must be in place by 1 December 2019.

The final determination and related information about DER can be found [here](#).



We would like to learn more about which Demand Management topics or areas of interest you the most.

Please take the time to take our [quick poll](#) to have your say.

For general enquiries or information you can ask us at: demandmanagement@ausgrid.com.au