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To the Secretariat

Consultation Paper: Cost Benefit Analysis of options to collect and share information about small scale battery storage

Ausgrid welcomes the opportunity to provide this submission in response to the COAG Energy Council Consultation Paper: *Cost Benefit Analysis of options to collect and share information about small scale battery storage*.

A comprehensive database of small scale battery storage is important for distribution network service providers (DNSPs) to have site specific data for their network area. Equally we recognise the value of such data on a national scale to the Australian Energy Market Operator (AEMO). There is also value in creating a mechanism for the market having access to data to support and foster innovation.

DNSPs face significant challenges collecting comprehensive energy storage device data. The detail that Ausgrid collects on electrical works (including the connection of small scale battery storage) is obtained via the Certificate of Compliance for Electrical Work (CCEW) under a format set out by NSW Fair Trading.

We recognise that one of the weaknesses of the existing system has been that Ausgrid has been obtaining data for only a portion of installations as there is no trigger to validate that the Electrical Contractor has met its notification obligations. There are additional challenges associated with securing regulatory changes which would place a greater obligation on installers to report small scale battery storage installations.

We support the need for a nationally consistent data collection approach at Commonwealth and/or State level and a consistent national data repository. As a key user of the data, AEMO is best placed and best suited to serve as the host for the data and enable integration into B2B processes on behalf of DNSPs and the market.

Ausgrid therefore supports the adoption of *Option 1: A national register administered by the Australian Energy Market Operator (AEMO)* as its preferred approach. We propose that DNSPs, through their use of the information, could make a valuable contribution to the national register by verifying and cleansing the integrity of data collected.

If you have any queries or wish to discuss this matter in further detail please contact Murray Chandler, Head of Asset Management Strategy, Performance & Innovation on (02) 9269 7210 or via email murray.chandler@ausgrid.com.au.

Yours sincerely

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

RICHARD GROSS
Chief Executive Officer

Attachment A – Summary of Ausgrid’s Submission on Consultation Paper

	Discussion Point	Response
2.2	<p><i>Which of the advantages and challenges listed in Table 1 and Table 2 provide the most compelling reasons for choice of host? Why? Which host would stakeholders prefer? Why?</i></p> <p><i>Can stakeholders identify any other challenges or advantages for each option?</i></p>	<p>Ausgrid supports Option 1 (with Option 3 as Ausgrid’s second preference) for the reasons set out in the consultation paper and wishes to provide the following further detail:</p> <ul style="list-style-type: none"> • AEMO is better placed than Distribution network service providers (DNSPs) to have a nationally consistent data collection approach which would enable higher rates of data collection than other stakeholders; • AEMO understands the importance of the National Meter Identifier (NMI) as the basis for enabling efficient network and innovation opportunities through the use of available data; • AEMO is likely to be a key user of the data being collected and AEMO understands the importance of the information; • The relationship between the installation of solar systems and energy storage devices is not coincident. Even though the Ausgrid network has one of the lowest solar penetration rates in the National Electricity Market (NEM), there are more than 100,000 existing solar systems that may not notify the CER of the installation of small scale battery storage; and • AEMO has the skills and experience to manage and host the database and integrate to B2B processes and systems as required. <p>Ausgrid recommends that data collected as part of a national registry and data collected by DNSPs as part of the connections process or through safety checks are matched to cleanse and verify the various data sets to improve the quality of the data for AEMO and DNSPs. We believe that DNSPs are best placed to perform this function in collaboration with AEMO.</p>
2.3	<p>The stakeholder review indicates that a storage register would require a wider data collection net than available under present approaches which may not be uniform across all jurisdictions. Most stakeholders agree that the optimal source of information would be at the point of installation, so if a register went ahead installers would also be required to provide information on any system that is capable of exporting power to the grid, regardless of size or whether the network was to provide a service in relation to that system.</p> <p><i>Do stakeholders see a more efficient approach for collecting information from this</i></p>	<p>Ausgrid supports the collection of storage information at the point of installation.</p> <p>Ausgrid considers that the following information set out in table 3 is the minimum required for network purposes.</p> <ul style="list-style-type: none"> • NMI; • Address (as verification check on NMI); • Installation date;

	<p><i>wider set of equipment categories?</i> <i>Do stakeholders agree on the required degree of information needed and the need for various stakeholders to access the data shown?</i></p>	<ul style="list-style-type: none"> • Decommissioning date; • Manufacturer, make and model number; • Capacity (continuous kW and storage kWh); and • Aggregator (if applicable). <p>Other information is either set out in Australian Standard AS4777 (e.g. trip settings), can be derived from above list (e.g. name) or are not required for basic network requirements.</p>
2.4	<p>A regulatory approach has been proposed because there presently are no proposed incentives for reporting. Some stakeholders identified regulations that would require amendment if a register were to go ahead. These include:</p> <ul style="list-style-type: none"> • Plumbers, Gasfitters and Electricians Act, 1995 (PGE Act) in South Australia, so that the definition of electrical installation does not allow non licensed electricians to install batteries • Each of the following to require installers to provide requested data to a battery register host: <ul style="list-style-type: none"> o The Electricity (General) Regulations 2012 made under the Electricity Act 1996 (South Australia) o The Occupational Licensing Act 2005 (Tasmania) o Electricity Safety (Installation) regulations 2009 made under Electricity Safety Act 1998 (Victoria) o Electricity (Consumer Safety) Regulation 2015, Electricity (Consumer Safety) Electricity Act 2004 (NSW) o Electricity (Licensing) Regulations 1991 made under the Electricity Act 1945 (Western Australia) • Australian Standards AS/NZS 3000 (Wiring Rules), to require that information from a wider collection of installations and equipment is required to be given <p><i>Are there any other regulations that would require amendment? Is it possible to quantify the cost of a single regulatory change?</i> <i>Are there any issues with changing these regulations to capture batteries?</i></p>	<p>Ausgrid supports the consistent change in regulation to support better quality data capture. For NSW, we note that the particular regulation noted is focused on the safety of customer installations and it may not be appropriate to incorporate changes for data collection purposes unrelated to furthering safety outcomes.</p>
4.1	<p><i>Do the time estimates and other assumptions in Table 6 seem to be reasonable? If not, are you able to provide evidence to more appropriate estimates?</i></p>	<p>Much of the information required to be collected is related to the equipment hardware (e.g battery chemistry). We suggest that manufacturers could include a 'QR style' code with the equipment which would improve the speed and accuracy of data collected by installers. If this functionality were integrated into an AEMO developed application, Ausgrid estimates data could be collected with minimal impact.</p>
5.	<p><i>Are any of the quantitative benefits or the assumptions or approach underlying their evaluation questionable? If so, why?</i></p>	<p>Ausgrid believes there is insufficient detail to assess the quantitative benefits provided.</p>

7.	<p><i>Are stakeholders able to provide data or case studies that would support the quantification (in monetary terms) of any of the costs and benefits listed above? Are any of the qualitative benefits questionable? If so, why?</i></p>	<p>Ausgrid believes there is insufficient detail to assess the qualitative benefits provided.</p>
8.	<p>As a data collection option, an app could be developed that would provide streamlining opportunities for other stakeholders to also receive data (e.g. networks). This app would be designed to maximise efficiency of data entry and make use of existing research and lists from the CEC. However, it might not eliminate the existing data collection arrangements undertaken by CER, potentially requiring two processes in parallel for some period of time.</p> <p><i>Would a new data collection app be appropriate if it was designed to streamline time taken to fill in forms? Or would industry have a preference to use existing industry developed apps? What advantages do industry developed apps offer?</i></p>	<p>Ausgrid's preference is for Option 1 with supporting changes in regulation to enable the storage and provision of better quality information. Improved data collection for any option is supported.</p>