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20 September 2016

Energy Market Transformation Project Team  
COAG Energy Council Secretariat  
GPO Box 9839  
Canberra ACT 2601

Submitted electronically

Dear Sir/Madam,

**Re: Energy Storage Registration**

Red Energy (Red) and Lumo Energy (Lumo) welcome the opportunity to respond to the Energy Market Transformation Project Team (EMTPT) on the Energy Storage Registration Consultation Paper (the Consultation Paper).

Red and Lumo are 100% Australian owned subsidiaries of Snowy Hydro Limited. Collectively, we retail gas and electricity in Victoria and New South Wales and electricity in South Australia and Queensland to approximately 1 million customers. Through our Red Energy brand, we currently offer and install solar and battery storage systems into the homes of our customers.

We strongly support the registration of batteries where evidence suggests there is a critical need for information to be available. Based on the information at hand, we believe there is a critical need for battery information to be available to the Australian Energy Market Operator (AEMO) for planning and system security. Conversely, we are unclear how any proposed register would be utilised by emergency services in undertaking emergency response, or the value in maintaining a database to store technical and safety specifications of individual systems.

**Registration of batteries for power system planning and security**

Red and Lumo support the need for information to be made available to AEMO regarding the prevalence and gravity of batteries installed behind the meter (BTM) in a given area.

We consider batteries installed BTM to be embedded generation, much the same as small scale solar PV installations, albeit with a potentially greater operation variance. We understand AEMO currently receives postcode level aggregated information from the Clean Energy Regulator detailing the extent of solar generation in an area to which AEMO undertakes forecasting. The Consultation Paper does not give any indication that this level of information would be insufficient for system planning and security. Given this, we consider an appropriate starting point for battery system information to be provided to AEMO to be aggregated postcode level data on potential stored capacity and output.

The Consultation Paper notes that AEMO considers it highly necessary for much greater information regarding battery storage to be available than is currently available for solar. This includes NMI level information regarding battery manufacturer and model, technical specifications, and even whether or not there are demand side participation contracts in place<sup>1</sup>. Prior to any determination on the scope of the register, we consider it essential that AEMO present quantifiable evidence as to why it requires this additional information and how it would be utilised for system operation. Once this is determined, the scope of information must be considered against the cost of providing and maintaining such information.

### **Registration of batteries for emergency response**

Red and Lumo appreciate the concern that insufficient information regarding the location of battery storage systems may increase safety risks in responding to emergencies. The Consultation Paper cites CSIRO research which found that there is limited understanding as to the actions required to deal with emergency situations regarding emerging battery technologies. Given this, we consider it essential that comprehensive analysis and research is undertaken prior to any decisions to implement a register, understanding how it may be utilised by emergency services in undertaking emergency response. We do however consider that battery storage is not the only potentially dangerous good currently installed at a premises. LPG tanks, electric vehicles, and even asbestos are all commonly found however require no registration to ensure safe emergency response. We urge this is kept in mind when considering whether or not a specific battery safety register is ultimately required, as the register will not come at an insignificant cost.

Red and Lumo further note the introduction of the Clean Energy Council's Install Guidelines for Accredited Installers – Grid Connected Energy Systems with Battery Storage<sup>2</sup> on 1 October 2016. This Guideline includes requirements for labelling and signage for new battery installations. We consider that this labelling, in concert with increased understanding from emergency services personnel regarding the appropriate treatment of battery emergencies, may achieve similar outcomes to the proposed register at significantly lower cost.

### **Registration of batteries for safety and industry integrity**

We are supportive of industry groups and others considering the implementation of registers to ensure product information is available for the lifecycle of a battery. We do not however consider that this register requires regulation. As stated in the Consultation Paper, many industry groups are already considering implementing registers so as to ensure important information including technical specifications, recycling obligations, and battery decommissioning information is available to consumers. Mandating these types of registers in the energy regulations will only increase red tape, for little consumer benefit.

We do not consider individual property level information is required for this purpose, with generic product manufacturer, model, and year of installation sufficient to achieve the same outcome for consumers.

### **Data to be collected**

As stated above, despite the broad and significant interest in this new and emerging market, we consider that the information proposed to be included on any register

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<sup>1</sup> Page 8 of the Consultation Paper

<sup>2</sup> <https://www.solaraccreditation.com.au/dam/solar-accred/installers/becoming-accredited/battery-storage-install.pdf>

must be the minimum standard required to achieve the determined outcomes. Further to this, given the costs of registration will ultimately be borne by consumers, it is critically important that any new registers are subject to a comprehensive cost benefit analysis before they are implemented.

### **Hosting of any register**

We consider that in the interim, AEMO should host any register developed to contribute to system planning and security. Given AEMO is independent, but accountable to the energy supply chain, we consider they are best placed to host the register.

As these markets develop however, we believe the long term strategic objectives of energy data management must be considered. This may include the development of an alternate market body tasked with understanding and managing the data collected from all types of emerging energy technologies, including battery storage.

Red and Lumo thank the EMTPT for the opportunity to respond to this consultation. Should you have any further enquiries regarding this submission, please call Ben Barnes, Regulatory Manager on 03 9425 0530.

Yours sincerely

A handwritten signature in black ink, consisting of several overlapping loops and a long horizontal stroke extending to the right.

**Ramy Soussou**

General Manager Regulatory Affairs & Stakeholder Relations

**Red Energy Pty Ltd**

**Lumo Energy Australia Pty Ltd**