

DER Market Integration Consultative Forum



24 March 2022



We acknowledge the Traditional Owners of country throughout Australia and recognise their continuing connection to land, waters and culture.

We pay respect to their Elders past, present and emerging.

AEMO Competition Law Meeting Protocol

AEMO is committed to complying with all applicable laws, including the Competition and Consumer Act 2010 (CCA). In any dealings with AEMO regarding proposed reforms or other initiatives, all participants agree to adhere to the CCA at all times and to comply with this Protocol. Participants must arrange for their representatives to be briefed on competition law risks and obligations.

Participants in AEMO discussions **must**:

- Ensure that discussions are limited to the matters contemplated by the agenda for the discussion
- Make independent and unilateral decisions about their commercial positions and approach in relation to the matters under discussion with AEMO
- Immediately and clearly raise an objection with AEMO or the Chair of the meeting if a matter is discussed that the participant is concerned may give rise to competition law risks or a breach of this Protocol

Participants in AEMO meetings **must not** discuss or agree on the following topics:

- Which customers they will supply or market to
- The price or other terms at which Participants will supply
- Bids or tenders, including the nature of a bid that a Participant intends to make or whether the Participant will participate in the bid
- Which suppliers Participants will acquire from (or the price or other terms on which they acquire goods or services)
- Refusing to supply a person or company access to any products, services or inputs they require

Under no circumstances must Participants share Competitively Sensitive Information. Competitively Sensitive Information means confidential information relating to a Participant which if disclosed to a competitor could affect its current or future commercial strategies, such as pricing information, customer terms and conditions, supply terms and conditions, sales, marketing or procurement strategies, product development, margins, costs, capacity or production planning.

Today's meeting

Time	Item	Speaker
11:00 – 11:05	Welcome and introductions	Amanda van der Sluys [AEMO]
11:05 – 11:15	Project EDGE update	Nick Regan [AEMO]
11:15 – 11:35	Project EDGE – Lessons Learned & Customer Insights Study	Nick Regan [AEMO] Anoop Nambiar [Mondo]
11:35 – 11:55	Q&A	All
11:55 – 12:00	Future Meetings & Close	Amanda van der Sluys [AEMO]

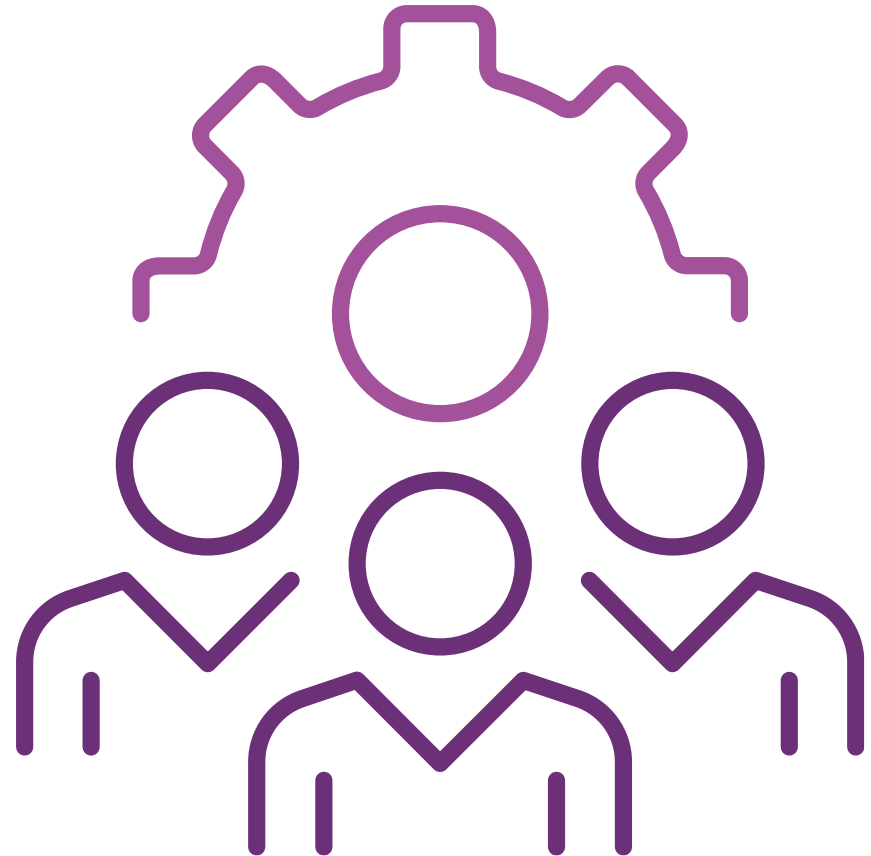


Project EDGE Update

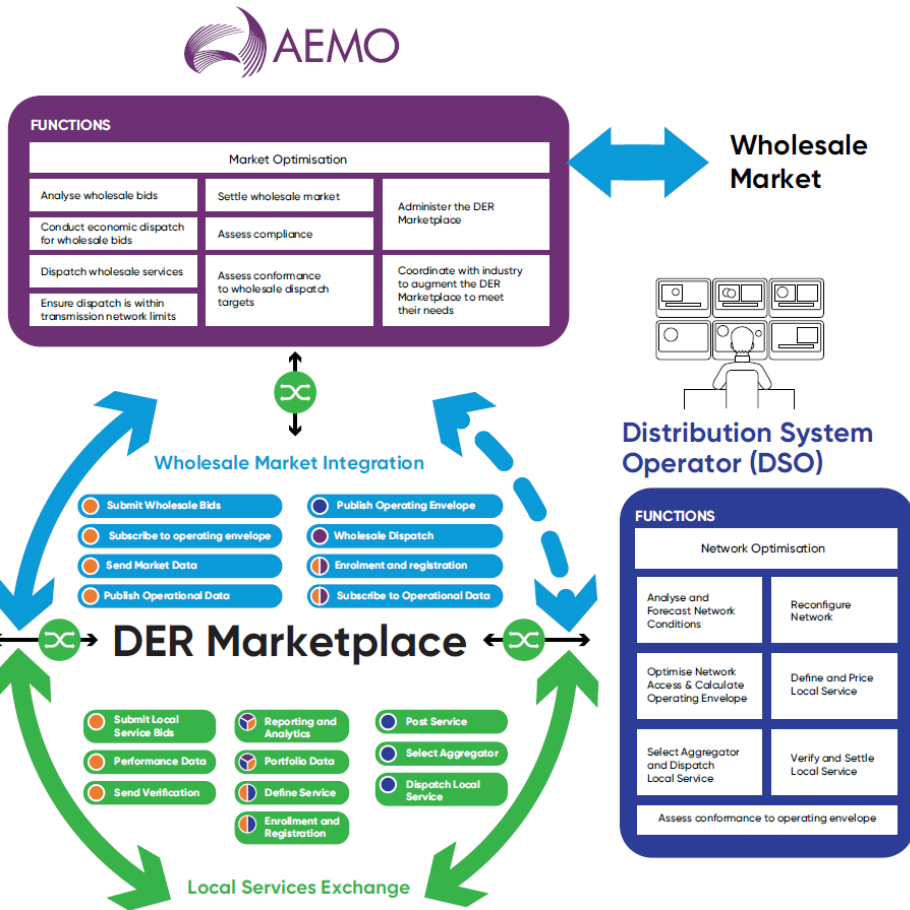


Aggregator onboarding

- ✓ Expressions of Interest received.
- ✓ Project EDGE in discussion with aggregators to understand capability uplift requirements and details of portfolio.
- Aggregators invited to proceed to participate.



DER Marketplace & Trial preparation



- ✓ Full DER Marketplace development completed – testing in progress
- ✓ Detailed Research Plan completed
- ✓ Operational trial schedule in development
- ✓ Project “Phase 3” completion – 28 April 2022
- ✓ Trials to commence from May 2022



Project EDGE – Lessons Learned & Customer Insights Study



Lesson Learned – Phase 3

- Differing views on the level at which Dynamic Operating Envelopes (DOEs) are allocated are emerging.
- Economic optimisation of DOEs - desktop analysis
- There are key considerations around the role of the aggregator – which will primarily be as the “customer agent”, with potential for a secondary role as a “market agent”.
- Potential different views on prioritisation of market vs network requirements based on the role of the aggregator.

More lessons learned will be included in the Public Interim Report to be published in April 2022.

Customer Insights Study

- Supported by Deakin University
- Composed of **four research components** →
- Across all aggregator customers
- Feeds into Project knowledge sharing, including customer insights specific reports and webinars
- Valuable insights for industry, aggregators, the cost benefit analysis and more...



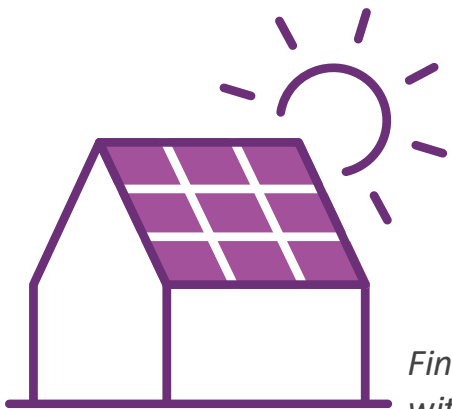
Research Components

1. Literature review – building on existing knowledge
2. Potential customer surveys – understanding perceptions, comfort levels, motivations to participate and impacts on equity
3. Current customer interviews – understanding the types of compensation accepted, what encourages customer behaviour, perceptions on how value is shared and views on equity
4. Broader DER aggregator customer surveys – see how they interact with DER settings, why/how prioritisation of different consumption patterns are influenced, what information and incentives must be provided and how different segments respond to DER and aggregators

Customer Insights - Preliminary Findings

Residential

- Participation was motivated by non-financial benefits but impeded by immediate financial costs of participation
- Energy trading is viewed to be at odds with perception that batteries are a personal energy asset

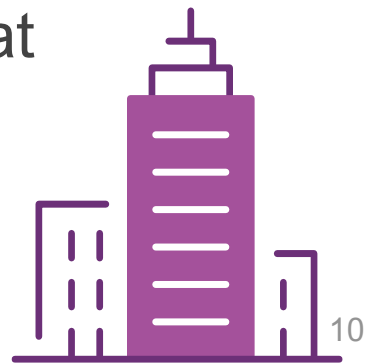


Findings from 16 in-depth interviews conducted with 19 residents in the Hume Region.

C&I / LGA

- Financial, environmental and energy resilience benefits of VPPs was positively viewed by insufficient to warrant VPP adoption
- Lengthy payback period on investment into VPPs was considered a barrier to adoption of VPPs by C&Is and LGAs.
- Overcoming objections may be achieved through finding organisational champions that encourage adoption and demonstrate positive case studies.

Findings from 10 in-depth interviews conducted with staff from 5 C&I and 5 LGAs from regional Victoria



Q&A

Raise a hand to speak
Use the Teams chat function



Any other business





Next meeting: 28 April 2022

Future Meetings & Close

Questions & contact

DERProgram@aemo.com.au



For more information visit

aemo.com.au