

21 November 2024

CER Data Exchange Project
Australian Energy Market Operator
Level 12, 171 Collins Street
Melbourne VIC 3000

Dear Sir/Madam

Re: CER Data Exchange Industry Co-Design Consultation Paper

TasNetworks appreciates the opportunity to provide comments in response to the Australian Energy Market Operator's (**AEMO**) consultation paper regarding the development of a national Customer Energy Resource (**CER**) data exchange. As both the distribution network and transmission network operator in Tasmania, TasNetworks recognises the impact that CER can have on the performance of the power system, and vice versa.

We also recognise that information about CER will be key to unlocking the potential benefits of increasing levels of CER for the power system, and to mitigating the potential issues that the use of CER can create. While Tasmania currently has lower levels of CER installation than many other parts of the National Electricity Market (**NEM**), TasNetworks is supportive of the development of a national CER database as a means of better integrating CER into the power system.

The consultation paper notes that stakeholders have expressed a strong desire for the prioritisation of use cases for CER data exchange that offer immediate operational benefits, and on that basis the paper identifies three use cases as priorities. While TasNetworks is supportive of the three use cases that have been identified as priorities we do not, however, consider that Priority Use Cases 1 and 2 are 'quick-win' use cases.

In the context of a phased approach to the implementation of a CER data exchange, of the three use cases, Priority Use Case 3, which relates to the availability of consistent CER standing data, should be the first use case addressed when developing the CER data exchange. In part, this is because the availability of consistent CER standing data is the foundation on which every other use case for the data exchange is likely to be dependent. Therefore, developing the means by which standing data is gathered, as well as the capability to share it, is the logical first step to take before progressing to use cases 1 and 2. Defining the data to be collected for Priority Use Case 3, as well as how it will be collected, exchanged and governed, will ensure the success of Priority Use Cases 1, 2 and beyond.

Priority use cases 1 and 2 are also complex, and different levels of CER take-up around the NEM and varying maturity on the part of retailers and network operators, in terms of their

capacity to dynamically manage CER and their networks, respectively, mean that the benefits of these use cases are likely to vary considerably between distribution network service providers (**DNSPs**), as is the timing.

For example, Tasmania has generally lower levels of photo-voltaic solar panel installation, and CER in general, than many other parts of the NEM. This means that, to date, there has not been the same imperative for TasNetworks to capture granular network performance data and information about CER that some DNSPs are already collecting.

TasNetworks is also yet to implement two-way network pricing, dynamic operating envelopes or flexible export limits because, currently, the benefits for consumers are unlikely to outweigh the significant cost of doing so. For any DNSP that, like TasNetworks, is yet to implement such CER focussed measures, Priority Use Cases 1 and 2 are unlikely to deliver immediate operational benefits for those networks or their customers.

Further, in relation to Priority Use Case 1, defining the capacity of networks to host different types of CER is a complex undertaking and not in any way standardised across the NEM. Sharing network limits also requires much greater visibility of distribution networks at the low voltage network level than is going to be available to many DNSPs in the near term. In TasNetworks' view, without real time network visibility (and the availability of metering data in real time), Priority Use Cases 1 and 2 offer little to no value to networks, customers or other market participants.

We also note that network capacity is dynamic and can vary significantly between seasons and over time. In addition to actions taken to regulate output voltages on transformers (known as tap changes), which can occur multiple times during the course of a year, there are population centres around Tasmania, for example, for which the feeder supplying the township can change on a seasonal basis, all of which impacts on the capacity of the network in those locations to host CER. The capacity of the network in any given location may also change over time as the result of asset replacement or network augmentation.

For these and other reasons it would, therefore, make greater sense to prioritise Priority Use Case 3 (the availability of consistent CER standing data).

Once again, thank you for the opportunity to comment on the consultation paper regarding the design of the CER data exchange. To discuss the views expressed in this letter please contact Chris Noye, Leader Regulation at Chris.Noye@TasNetworks.com.au.

Yours faithfully

A handwritten signature in dark ink, appearing to read 'Chantal Hopwood', with a stylized flourish at the end.

Chantal Hopwood
Executive Finance and Regulation (Acting)