

18 August 2023

Dr Kris Funston Executive General Manager Australian Energy Regulator GPO Box 3131 Canberra ACT 2601

Dear Dr Funston,

Consultation on AER guidance on amended National Energy Objectives

Energy Queensland Limited (Energy Queensland) welcomes the opportunity to provide comments to the Australian Energy Regulator (AER) in response to the consultation on the draft AER guidance on amended National Energy Objectives (NEO).

This submission is provided by Energy Queensland on behalf of its related entities:

- Distribution network service providers, Energex Limited and Ergon Energy Corporation Limited;
- Retailer, Ergon Energy Queensland Pty Ltd (Ergon Energy Retail); and
- Affiliated contestable business, Yurika Pty Ltd and its subsidiaries, including Yurika Metering

Energy Queensland supports the upcoming change to the NEO to include an emissions reduction component. We note this reform will support the delivery of Queensland Government initiatives, in particular the Queensland Energy and Jobs Plan, as part of the wider energy transformation occurring across Australia.

Energy Queensland also supports the development of a guide to assist the AER when considering whether to apply the amended energy objectives to any processes which are underway at the time the amendments take effect (likely November 2023).

We acknowledge that the draft guidance document doesn't extend to Energex Limited and Ergon Energy Corporation Limited. However, we understand this may provide a strong indication of how the AER will apply the NEO to regulatory determinations for 2025 and beyond.

It is our view that there would be benefit in providing further detail regarding the measurement and qualitative assessment of Consumer Energy Resources (CER) as an alternative to network solutions. For example, the calculation of self-use of solar/battery generation may not be adequately measured by the customer export curtailment value methodology, nor by the small-scale technology certification methodology. Given the

volume of CER that AEMO's Integrated System Plan forecasts will be deployed, it may preferable that the emissions reductions from CER be revisited and revised if necessary.

Should the AER require additional information or wish to discuss any aspect of this submission, please contact either myself, or Mark Simpson on

Yours sincerely



Alena Chrismas Acting Manager Regulation

Telephone: Email: