

30 January 2024

Mark Feather
General manager, Strategic Energy Policy and Energy System Innovation
Australian Energy Regulator

Submitted electronically

Dear Mr. Feather,

PIAC submission to AER's draft interim export limit guidance note

The Public Interest Advocacy Centre (PIAC) welcomes the opportunity to respond to the Australian Energy Regulator's (AERs) draft export limit guidance note.

Export limits are crucial to efficiently managing network congestion and ensuring consumer energy resources (CER) benefit all households and contribute to the equitable and efficient operation of the electricity system. Flexible export limits offer a superior alternative to static export limits. They allow distribution network service providers (DNSPs) to maximise existing hosting capacity which can help consumers realise the full value of their CER through enabling higher levels of export when (and potentially where) spare capacity is available.

PIAC welcomes efforts to facilitate the implementation of effective export limits and provide clarity to DNSPs on AER expectations to support the development of expenditure to implement and use flexible export limits. We understand the interim guidance note 'is a non-binding document intended to provide temporary guidance to DNSPs while a rule change proposal is developed by the AER and then considered by the AEMC.'¹

We support the intent of the interim guidance note and acknowledge the need for a stopgap measure to provide some direction on policy objectives and design principles for DNSPs when implementing and using flexible export limits. However, the AER should promptly issue more formal, binding guidance to ensure DNSPs adopt consistent principles and a transparent, fair approach to allocating network hosting capacity.

¹ AER [Draft interim guidance note on export limits](#), pg. 1

Guidance on export limits should be embedded in the rules to formalise relevant consumer protections. We support using a principles-based approach that enables DNSPs to tailor export limits to their operating circumstances, access to smart meter data, and level of network visibility. As such, we recommend the AER initiate consultation on a formal rule change process as soon as possible and progress related workstreams to ensure existing arrangements are fit-for-purpose.

PIAC welcomes the opportunity to discuss these matters further with the AER and other stakeholders.

Yours sincerely

Jan Kucic-Riker
Policy Officer, Energy and Water

