

8 January 2018

Mr Chris Pattas
General Manager, Networks
Australian Energy Regulator
PO Box 520
Melbourne Victoria 3001

By email: AERInquiry@aer.gov.au

Dear Chris

RE Draft Electricity Network Service Provider Registration Exemption Guideline

TasNetworks welcomes the opportunity to make a submission to the Australian Energy Regulator (AER) on the draft Electricity Network Service Provider Registration Exemption Guideline.

Given the ongoing and dynamic evolution of distribution and transmission services within the NEM, TasNetworks is appreciative of the AER's efforts to further refine and clarify the guidelines pertaining to Network Service Provider registration.

TasNetworks is broadly supportive of the changes proposed by the AER and has no specific comments on the consultation questions. TasNetworks would, however, like to make several general comments regarding embedded networks.

As it relates to part 4.2.2 of the guideline, TasNetworks strongly supports the AER's proposal to lower the nominal voltage threshold at which an exempt NSP must consult with AEMO regarding the safe, secure and reliable operation of an exempt distribution network.

To leave the nominal voltage threshold unchanged at 66kV would see it fail to apply in practice to many Tasmanian embedded networks and TasNetworks believes the proposed change to an 11kv nominal voltage threshold is prudent and appropriate.

As both the Transmission Network Service Provider (TNSP) and Distribution Network Service Provider (DNSP) in Tasmania, TasNetworks is focused on delivering safe and reliable electricity network and distribution services while achieving the lowest sustainable electricity prices for Tasmanian customers.

In this capacity, TasNetworks believes it is critical for TNSPs and DNSPs to be able to view any generation that is injected into an electricity network, *regardless of exemption status*. This includes cases where:

- 1) generation from an embedded network is injected into the distribution network, and
- 2) where an embedded generator connected to the distribution network injects into the transmission network.

TasNetworks feels that such an objective can only foster innovation and appropriate network investment in a timely and efficient manner that ensures optimal customer outcomes.

If you wish to discuss any aspect of this submission, please contact Tim Astley – Team Leader NEM Strategy and Compliance via email (tim.astley@tasnetworks.com.au) or by phone on (03) 6271 6151.

Yours sincerely,



Kirstan Wilding
Regulation Leader