

22 December 2021



Mr Daniel Westerman
Chief Executive Officer
Australian Energy Market Operator
GPO Box 2008
MELBOURNE VIC 3001

Submitted via email 22 December 2021: energy.forecasting@aemo.com.au

Dear Mr Westerman

Consultation – 2021 Forecast Improvement Plan

Energy Queensland Limited (Energy Queensland) welcomes the opportunity to provide comment to AEMO on their Consultation – *2021 Forecast Improvement Plan*.

This submission is provided by Energy Queensland, on behalf of its related entities, including distribution network service providers (DNSPs), Energex Limited (Energex) and Ergon Energy Corporation Limited (Ergon Energy), retailer, Ergon Energy Queensland Pty Ltd, and affiliated contestable business, Yurika Pty Ltd.

In the Queensland setting, Ergon Energy and Energex support one of the highest rates of distributed energy resources (DER) adoption in Australia. As at the end of November 2021, more than 712,000 small-scale [$\leq 30\text{kW}$] photovoltaic systems with a total capacity of around 3,500MW were installed across the state. In addition, Queensland has more than 8,700 battery energy storage systems (BESS) installed, representing almost 125 MWh of storage capacity and typically paired with solar PV systems. October 2021 was a record month for BESS connections in Queensland, with internal forecasts and customer engagement indicating volumes of small-scale solar PV and BESS installations will continue at a similar rate to that of 2020.

Energy Queensland notes under-forecast figures for installed rooftop PV in all NEM regions in 2020 and suggests that the continued underestimation of small-scale PV volumes has significant flow-on impacts for all market participants, and importantly, planning for minimum demand.

Energy Queensland continues to observe strong growth in PV uptake from new customers installing increasingly larger systems on average, and from existing customers with PV who are replacing ageing systems with higher capacity and more efficient systems. Furthermore, as feed-in tariffs reduce, more customers are using BESS to offset consumption, typically in the evening. Engagement and research conducted with our customers indicates this will become more prevalent as the price of

batteries reduces, making customer investment in storage more attractive and economical.

Given this, Energy Queensland supports AEMO's efforts to identify and include data series that allow for the tracking of uptake and use of emerging technologies currently not covered in the Forecast Accuracy Report. We agree there is a strong need to more accurately forecast 'prosumer' uptake and usage of DER, in particular behind-the-meter battery storage and electric vehicles (EVs).

Energy Queensland agrees that market participants would benefit from greater visibility of DER including inverter and system peak capacity, orientation, etc., to improve forecasting. We also suggest there is a need for similar reporting for batteries, including installation rates, capacity and discharge given their impacts on network demand.

Should AEMO require additional information or wish to discuss any aspect of this response, please contact me on 0409 239 883 or Laura Males on 0429 954 346.

Yours sincerely

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