

Integrating Energy Storage Systems (IESS)

PROCEDURE CONSULTATION

PARTICIPANT RESPONSE TEMPLATE

Participant: AGL

Submission Date: 10 July 2023

1. Context



This template is to assist stakeholders in responding to the questions detailed in the Draft Report associated with the *Integrating Energy Storage Systems in the NEM Rule* (IESS Rule) consultation.

2. Consultation questions

Question	Participant Comments
<p>1. Do you agree with the proposed changes to the Procedures to reflect the requirements of the IESS Rule? If not, please explain the specific draft decision you do not agree with and any proposed alternative solution.</p>	<p>AGL notes the improved definition of NREG and believes that this is more appropriate and supports the change.</p>
<p>2. Are there any gaps in AEMO's Procedure changes for the IESS Rule?</p>	<p>AGL believes that the AEMO B2B Accreditation procedure may require updating as it does not recognise the IRP Participant type.</p>
<p>3. Do you agree with the proposed approach to ICF_070 (Increase 'Building Name' field length in MSATS)?</p>	<p>AGL supports this proposal being implemented.</p> <p>However, if this proposal requires a Schema change for implementation, then AGL would support this change being bundled with other changes (eg B2B Field Length changes) to make the schema change worthwhile. AGL would not support this being the only reason for a schema change.</p>
<p>4. Do you agree with AEMO's decision to shift the substantive components of ICF_059 to a separate consultation process separate from the IESS consultation?</p>	<p>AGL supports the proposal to move the substantive aspects of ICF 059 to another consultation and is strongly supportive of the proposals which AEMO presented in this regard.</p>

Question	Participant Comments
<p>5. Do you agree with AEMO’s draft decision to amend the Customer Threshold Codes table in CATS to reflect the relevant regulatory instruments in a footnote?</p>	<p>AGL supports the inclusion of the reference to the relevant regulatory instruments and suggests the relevant references should also be included with Table 4-D for the NMI Classifications of SMALL and LARGE.</p> <p>AGL proposed the editorial amendments to ensure clarity to all participants on the threshold values. This proposed change is no different to the information contained within Table 4-D NMI Classifications which also contains the Jurisdictional thresholds for determining SMALL and LARGE NMIs.</p> <p>AGL, as the proponent, notes the feedback from participants, but does not understand how there can be cost implications or regulatory impacts by including the values against the definitions.</p> <p>These threshold limits should already be applied by Participants according to the relevant NERR or jurisdictional requirements, and the only change is therefore to publish the specific values in the MSATS CATS Procedure. That is, there should be no process or system change associated with this proposal (which was to improve clarity) and which was supported by the majority of participants.</p> <p>AGL notes AEMOs concern about undertaking a consultation if the Jurisdictional values change, but considers that if this is AEMOs prime concern, then other Jurisdictional information within CATS (eg Table 4-D NMI Classification SMALL / LARGE thresholds) should also be removed for the same reason.</p> <p>Changes to these instruments will continue indefinitely due to the ongoing evolution of the NEM, as such, consultations will be an ongoing feature of this procedures.</p> <p>AGL does not consider the possible requirement to consult on changes to the CATS procedure as a result of a possible Jurisdictional change to be a sufficiently valid reason to reject this proposal (which had strong support) compared to making improvements to the CATS Procedures which add greater clarity for participants, especially as there is other Jurisdictional information published within the CATS procedure, which if changed could also trigger a consultation.</p>

Question	Participant Comments
6. Do you agree with AEMO's draft decision to retain references to 'Residential' and 'Business' in the CATS NCC table in accordance with the National Energy Retail Law (NERL)?	AGL notes this decision.

Question	Participant Comments
<p>7. Table 7 – Proposed Diagrams</p>	<p>AGL notes the proposed diagrams, and also considers that these diagrams show other matters associated with selecting the correct NMI Classification, such as SMALL and LARGE, and should be expanded further to explicitly cover those selections, as well as NREG.</p> <p>As such, AGL also suggest that a diagram representing the limitations of a micro-grid also be included. The definition of micro-DER connections is linked to AS 4777, which in turn, sets a limit of 200 kVA. So, a NMI with a small battery (less than 200kVA (per AS 4777)), would be defined by its load/charge capabilities and be either SMALL or LARGE, depending on the battery charge cycles.</p> <p>AGL notes that the graphics used for SMALL customer load change across some of the diagrams. AGL suggest that AEMO selects one diagram to represent small customer load, which should be consistent with other AEMO documents:</p> <div style="display: flex; align-items: center; justify-content: center;"> <div style="border: 1px solid black; padding: 5px; margin-right: 20px;">  </div> <div style="margin-right: 20px;">or</div> <div style="border: 1px solid black; padding: 5px;">  </div> </div> <p>AGL does not consider the current drafting associated with Table 4-D clearly identifies the hierarchy of NMI Allocation in relation to SMALL and Large, and suggests that CI 4.5 be amended to include an additional clause, such as:</p> <p>(c) <u>Where consumer load exists at a NMI, the NMI must be classified as either SMALL or LARGE in accordance with Table 4-D.</u></p>