



National Electricity Amendment (Integrated Distribution System Planning) Rule 2026

Submission to the Australian Energy Market Commission

29 July 2025

Introduction

The Business Council of Co-operatives and Mutuals (BCCM) thanks the Australian Energy Market Commission (AEMC) for the opportunity to make a submission in response to the National Electricity Amendment (Integrated Distributed System Planning) Rule 2026 consultation paper.

The BCCM is the national peak body representing the co-operative and mutual enterprise movement across all sectors of the Australian economy including agriculture, financial services, housing, health and social care, retail, mobility and energy. Eight in 10 Australians are members of a co-operative or mutual.

The BCCM has prepared this submission with our energy sector members: Community Power Agency, Hepburn Energy, Cooperative Power Australia, Goulburn Community Energy Co-op, Original Power and Pingala Co-op. Our members are active across energy policy and research, community-owned energy project development, generation, storage and retail. They share the goal of building community economic participation and influence in the energy system and act to enhance social license for renewable energy.

We welcome Energy Consumers Australia's rule change request. We believe it will promote better consumer outcomes in the energy system in terms of better investment decisions, reductions in transaction costs and more accurate network charges.

Our comments are focused on the impact of the proposal for community energy groups, including those with a co-operative or mutual ownership structure.

The benefits for community energy from the rule change could include enhanced information for investment decisions, more efficient grid connections and greater co-design and consultation on energy system planning. Achieving these benefits will require careful design, including express inclusion of community energy groups as a stakeholder for consultation and information sharing metrics. Improved grid connection processes require appropriate benchmarking, and potentially express requirements to provide free preliminary assessments for smaller projects. Standardisation must also be balanced with flexibility for DNSPs and local communities to identify different local planning priorities.

The BCCM stands ready to provide further information to the AEMC.

Response to consultation questions

1. What are the shortcomings of the current distribution annual planning process?

We agree with the ECA that the current process is no longer appropriate because:

- DNSPs should be more transparently and consistently share information and data about network and hosting capacity in user-friendly, open-access formats.
- DNSP engagement with community energy groups should be more consistent and systematic.
- DNSPs should collaborate with governments to provide clear locational guidance on where mid-scale DER is technically and economically viable.
- There is significant underutilisation of the distribution level feeders in Australia for renewable energy projects.

The benefits of addressing these issues through the ECA rule change would include:

- Reduced transaction costs and increasing investment confidence at all stages of project development (placement, connection etc.) for community energy groups.
- Better local co-design solutions and social licence from structured community energy group engagement.
- Enabling innovative models of community energy involving virtual power plants and demand response.
- Higher utilisation of available capacity on distribution level feeders.
- More sophisticated smart grid deployment across the low voltage and distribution network.

The ability of community energy groups to fully leverage the improved data and information sharing would require capacity building support.

More efficient and standardised grid connections is a notable opportunity that can arise from improved data and information sharing. However, further changes such as requiring DNSPs to offer free or low-cost preliminary connections to sub-5MW community energy project may also be justified and followed by fixed-cost connections approvals.

2. Does distribution network planning need to be further integrated with the ISP?

Yes. Data provision needs to be accurate and have appropriate forecasting. Historically, the ISP has consistently undervalued the scale and pace of actual CER take up. This results in a skewed strategy that relies on new large scale transmission builds, rather than accurately accounting for the participation and take up of CER on the distribution level.

In addition to ISP alignment, DNSPs should be allowed to include high utilisation of distribution level grid infrastructure, localised scenarios or community-preferred futures.

3. How can distribution network transparency be improved, including during network planning?

Community energy groups are often well aware of DNSP/network limitations in their regions as they commonly spring up around supply and cost of energy issues in regional or isolated areas. However, they don't have access to or the capabilities to process the metadata to understand the causes and possible fixes to these issues at the community level.

The stark information disparity around network planning and roadmapping leaves community groups to act independently, unable to coordinate with their DNSP. This contributes to the planning instability highlighted in ECA's proposal. Community energy groups are creating, and are expected to create, many more resilience and DER projects over the next 10 years. Without better planning and implementation this will become disruptive to both DNSPs and the communities.

Community groups with access to clearer, more engagement-focused planning models and the metrics behind them will alleviate this issue to some degree. Ideally, this would include extra, more granular analysis of network bottlenecks, vulnerabilities, oversupply, and modifications with relevant metrics to allow community groups to plan and deliver projects.

We note there is significant underutilisation of the distribution network from the 22kV feeder level and above. Whilst low voltage networks have increasingly high rooftop PV penetration, this is underdeveloped due to economies of scale issues during planning and associated connection costs. Providing transparency on feeder availability for mid-scale renewables on a year-by-year basis would greatly assist community energy planning.

6. Is a new consultation process needed for the distribution annual planning review?

Yes. DNSPs should be required to consult with community energy groups as part of planning reviews.

Consultation with community energy groups can ultimately improve network utilisation, reduce transaction costs for these groups and boost the social licence for ongoing network reform and improvement.

Consultation could extend to DNSPs co-developing local benefit sharing principles with the community that align with hosting capacity upgrades (for example, priority access for community DER or local energy trading tariffs.)

7. Is a Network Data and Insights Roadmap the right tool for implementing the proposed IDSP process?

The Network Data and Insights Roadmaps should be required to include progress metrics and annual reporting on community data access and engagement.

8. Are new guidelines and templates required to standardise the IDSP framework?

Hosting capacity assessment methods should be standardised and published, including treatment of community-scale generation.

9. Are the proposed benchmarking requirements suitable?

See above. The AER should be tasked generally with monitoring and publicly reporting on how DNSPs engage with and support community-led projects.

About the BCCM

The BCCM is the national industry peak body for co-operatives and mutuals, working with governments, regulators, and policymakers to ensure the Australian economic landscape is fully able to benefit from a competitive co-op and mutual movement.

Through its member co-ops and mutuals, the BCCM represents 14.4 million memberships, including 60,000 small and medium businesses.

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