

16 September 2025

Ms Stephanie Jolly

Executive General Manager, Consumer, Policy and Markets Division
Australian Energy Regulator

GPO Box 520

Melbourne VIC 3001

Ausgrid Community Power Network (CPN) trial waiver application

Energy Networks Australia (ENA) welcomes the opportunity to respond to the Australian Energy Regulator's (AER) issues paper regarding Ausgrid's Community Power Network trial.¹

ENA is the national industry body representing Australia's electricity transmission and distribution and gas distribution networks. Our members provide more than 16 million electricity and gas connections to almost every home and business across Australia.

Energy Networks Australia strongly supports the proposed Ausgrid Community Power Network trial and welcomes the opportunity to respond to the AER's Issues Paper. The trial demonstrates a feasible pathway for delivering equitable, efficient, and accelerated energy transition outcomes for customers through coordinated deployment and orchestration of distributed energy resources (DER).

The Time is Now

A key theme reinforced by Energy Networks Australia's report, "The Time is Now: Leveraging the Distribution Grid in Support of the Energy Transition" (August 2024)², is the urgent need for proactive, coordinated investment in the distribution network to unlock customer-wide benefits and accelerate decarbonisation. The Ausgrid Community Power Network trial waiver demonstrates how innovative network-led initiatives can help to deliver lower costs, improve equity, and strengthen system resilience. The trial waiver will enable customer benefit sharing and showcase scalable models for grid optimisation in support of the energy transition.

Supporting Equitable Access and Lower Costs

The Ausgrid Community Power Network pilot directly addresses equity issues, ensuring that customers unable to install rooftop solar or storage, such as apartment dwellers and renters, are able to see financial benefits from the installation of DER in their network area. The trial enables community participants to receive annual dividends from DER deployment, regardless of their

¹ AER, Ausgrid: Community Power Network trial, [Issues Paper](#), August 2025.

² ENA, [The Time is Now](#), Getting smarter with the grid, August 2024.

asset ownership, while network users should benefit from reduced tariffs through improved network utilisation and deferred grid upgrades.

By orchestrating storage and leveraging untapped rooftop solar, particularly on large commercial and industrial sites, Ausgrid's proposal looks to unlock local generation potential, which is then distributed for local community benefit and grid stability.

Accelerating the Energy Transition and Grid Utilisation

ENA welcomes the pilot's innovative model that provides for grid optimisation and increased network utilisation. Ausgrid's spatial energy planning and battery orchestration will help to flatten peak demand, freeing up network capacity for additional electricity load including for data centres or new industrial projects. The proposal seeks to drive improvements in network utilisation, supporting the lowest-cost grid transition for end users, with per unit rate network tariffs required to fund the network likely to reduce as network utilisation grows.

The trial's transparent risk arrangements, where Ausgrid ensures customers bear no downside risk if the pilot fails to deliver positive returns, are strongly supported by ENA as they help to foster consumer trust alongside sector innovation.

Delivering Sector Innovation and Learnings

ENA supports Ausgrid's commitments to transparency, with regular reporting to the AER and the development of an equitable dividend distribution methodology in concert with RACE for 2030 and the University of NSW, ensuring lessons are widely disseminated and future DNSP-orchestrated models may be informed by this trial.

The Ausgrid Community Power Network trial will help to address key priorities in the energy transition including tackling inequities in DER deployment, reducing grid costs to consumers and delivering faster decarbonisation while maintaining customer protections. The trial is an example of DNSP-led innovation, supported by industry and policymakers, and helps position Australia's grid for a low-carbon, high-participation future.

If you wish to discuss any of the matters raised in this response further, please contact [REDACTED], Regulation and Policy, on [REDACTED].

Yours sincerely,

[REDACTED]
Chief Operations Officer