

Ausgrid: Community Power Network Trial

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Master Electricians Australia (MEA) is a peak industry association representing electrical contractors and is recognised by industry, government and the community as a leading business partner, knowledge source and advocate. You can visit our website at www.masterelectricians.com.au

MEA has concerns about the Ausgrid waiver application, in particular the potential flow-on effects.

Solar

While Ausgrid proposes to use excess solar from private rooftops rather than installing its own systems, it has stated that if uptake in the sandbox trial areas remains low, it would step in as the “solar owner of last resort” –

If the commercial market does not respond to the incentives created, Ausgrid will make up any shortfall as the ‘solar owner of last resort’. In this case, Ausgrid will install and own solar and will be paid by the Community Power Network for its generation in the same manner as any other solar operator. This arrangement will operate outside the regulated framework and be fully self-funded, with no cost impact on customers.

Furthermore, Ausgrid has put forward the following position –

“The Community Power Network creates a market to attract customers and commercial entities to install more solar. This means that we expect commercial and residential customers to continue to own and operate solar as they do now, just in greater numbers, receiving higher feed-in tariffs.

MEA strongly opposes any waiver allowing Ausgrid to install private solar systems. In its application, Ausgrid highlights that Botany–Mascot has a solar uptake rate of only 9%, attributing low adoption to barriers faced by vulnerable cohorts such as renters, low-income households, and apartment dwellers. These challenges will not be resolved through higher feed-in tariffs or communal storage, and without targeted government incentives, uptake is unlikely to materially increase, creating a strong likelihood that Ausgrid would inevitably act as the “solar owner of last resort”.

Ring-fencing waivers are designed for circumstances where private markets have failed to deliver essential services. In these communities, private contractors already have the competitive market to meet demand. It should be Government policy responses seeking to address access to solar panels in the identified areas to incentivise uptake, rather than relying on ring-fencing waivers.

Batteries

MEA is concerned that Ausgrid's proposal to install community batteries could slow the uptake of private, small-scale systems and limit households' ability to fully realise the benefits of CER. While the model may reduce costs, it risks diminishing consumer choice and control by shifting decision-making to a centralised authority. Community batteries may have a limited role in niche settings, but they must not come at the expense of private ownership of CER systems.

MEA acknowledges that Virtual Power Plants (VPPs) already operate in competitive markets to orchestrate customer-owned batteries, utilised to absorb and manage excess energy. However, as VPPs remain accessible only to households with CER, equity concerns should be addressed through targeted government programs to allow greater equitable access to innovative technologies, not by granting DNSPs ring-fencing waivers to expand into contestable markets.

Consultation

Small electrical contractors carry out the majority of small-scale private solar and battery installations across Australia. We are disappointed that a representative body such as MEA, speaking for this large cohort of installers, was not consulted during Ausgrid's development of the Community Power Network proposal.

Conclusion

MEA seeks further opportunities to be explored in increasing CER uptake by 'vulnerable cohorts' that does not rely on ring-fencing waivers by DNSPs.
