

11 February 2021



Dr Kerry Schott AO
Independent Chair
Energy Security Board
COAG Energy Council Secretariat
John Gorton Building
King Edward Terrace
PARKES ACT 2600

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Dear Dr Schott

Consultation – Renewable Energy Zones (REZ) Stage 2

Energy Queensland Limited (Energy Queensland) welcomes the opportunity to provide comment to the Energy Security Board (ESB) on the *Renewable Energy Zones Stage 2 Consultation Paper* (Consultation Paper). This submission is provided by Energy Queensland, on behalf of its distribution network service providers (DNSPs), Energex Limited (Energex) and Ergon Energy Corporation Limited (Ergon Energy).

Energex and Ergon Energy are experiencing uptake of large-scale generation at an unprecedented rate. The businesses currently have a combined total of 1.4GW of connected and committed large-scale renewable generation, with the largest comprising 173MW, and a further 3.95GW in various stages of the connections process, under Rule 5.3A of the National Electricity Rules (NER).

Energy Queensland notes that the Consultation paper refers to REZ with regard to connection, access, and funding of shared transmission infrastructure with omission of reference to distribution networks. In our recent experience, sources of generation are connecting to distribution owned/operated networks and discussions with industry suggest this growth will continue. In addition, it is becoming more frequent that the DNSP needs to take appropriate action in response to generation limitations, or other technical constraints on the power network.

It is Energy Queensland's view that the development of REZ would not address challenges in connecting to the distribution network in terms of being 'leap frogged' by transmission connections. As noted in the Consultation Paper, the development of a REZ does not address upstream congestion or congestion in the distribution network. In Queensland, North-South constraints are currently emerging in the transmission network as evidenced in the Powerlink Queensland Transmission Annual Planning Report¹.

¹Powerlink Queensland Transmission Annual Planning Report 2020
<https://www.powerlink.com.au/reports/transmission-annual-planning-report-2020#resource-full>
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Finally, Energy Queensland seeks additional clarity whether reduced system modelling or performance requirements would be applied to generators in the REZ to enable a quicker connection, or how generators outside the REZ would be modelled in terms of full assessment (as required by Rule 5.3.4B of the NER). It is essential that any connection to the National Electricity Market can perform to the same standards as any other connection to ensure long-term stability and safety of the network.

Should the ESB require additional information or wish to discuss any aspect of this submission, please contact me on 0467 782 350 or Laura Males on 0429 954 346.

Yours sincerely



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