



2024 APR focus: Decarbonising Electricity

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Australian Government
Climate Change Authority

The authority made recommendations on the electricity sector in its 2024 Annual Progress Report

01

Strengthen, broaden, lengthen and embed the Capacity Investment Scheme

NOTED**02**

Enable the rapid and large-scale deployment of combined synchronous condenser functionality with back-up generation capability

NOTED**03**

Speed up connection approval processes for large-scale generators in the NEM, while enhancing the transparency of those processes

AGREED**04**

Make full use of the potential contribution of electricity distribution networks, and commercial and industrial customers' premises, to host renewable electricity generation and storage

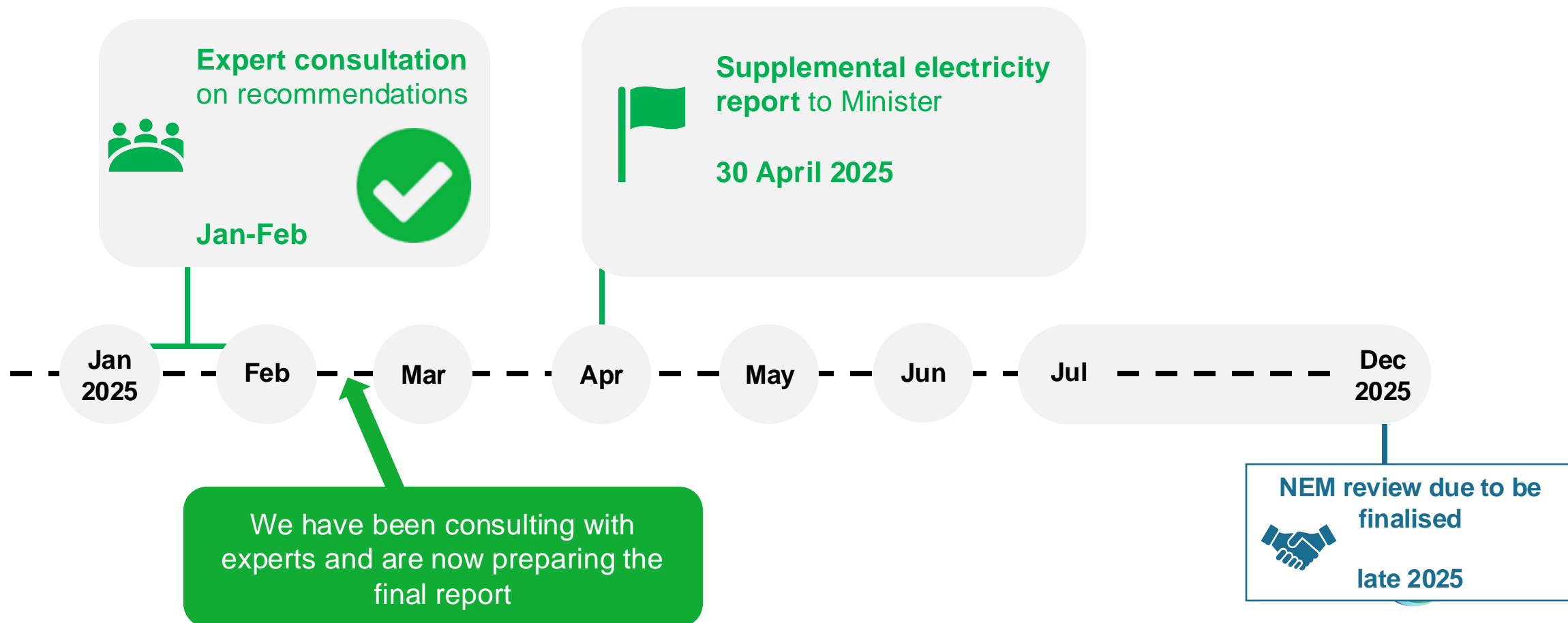
AGREED-IN-PRINCIPLE

Recommendation 5: Endorse the provision of further advice on recommendations 1-4

AGREED

In 2025, the authority is preparing further advice on the electricity sector

The authority's supplemental advice report is running parallel and delivering 8 months ahead of the NEM Review, noting the CCA's report can inform input to the NEM Review



4

Make full use of the potential contribution of electricity distribution networks, and commercial and industrial (C&I) customers' premises, to host renewable electricity generation and storage

Key initial actions**a**

Develop and implement a scheme to incentivise C&I electricity customers to invest in large rooftop solar PV and battery storage installations

b

Require distribution network service providers (DNSPs) to plan and deliver timely and efficient connections for C&I rooftop solar and battery storage

c

Empower DNSPs to plan and install batteries in their networks, including in partnership with market participants, to complement and not crowd out behind-the-meter storage

d

Establish a framework for the integrated planning by DNSPs and TNSPs of major network asset and service upgrades, and create a complementary mechanism for DNSPs and TNSPs to invest in minor network upgrades that will accelerate deployment of renewables and storage

e

Accelerate the mandatory, regulated deployment of smart meters by distributors, and require them to provide leading-edge data services to their customers and retailers

We spoke to experts about recommendation 4

04

Make full use of the potential contribution of electricity distribution networks, and commercial and industrial customers' premises, to host renewable electricity generation and storage

Key conclusions

- Very broad consensus that there is more that can be done with the distribution system. A mechanism is needed for deployment of C&I, perhaps an incentive.
- DNSPs need ability to roll out batteries, but stakeholders expressed concern around competition. DNSPs will need to provide more information to the market to address these concerns.
- DNSPs can accelerate EV charger rollout but this will not be competitive, the lowest cost or equitable

Key points

Distribution system has a lot of latent capacity, but this is not uniform across the networks. C&I deployment is lagging and there is a need to address barriers

Need to accelerate deployment of batteries and EV chargers. DNSPs are well placed to do this for batteries. Mixed support for DNSPs to provide charging services of last resort.

Concern around competition could be addressed through issuing a shorter-term waiver in conjunction with requiring DNSPs to provide more network information.



Contact details

Thank you for your time.

You can contact us at:

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