

Opportunity within existing and proposed regulatory framework

Connor James

Nexus Lawyers

TRADITIONAL STRUCTURE

- Generators
- Distributors
- Transmission
- Retailers
- Consumers
- Regulator

Generators

Produce electricity



Generator Transformer

Converts low voltage electricity to high voltage for efficient transport



Transmission Companies

Carry high voltage



Distribution Transformer

Converts high voltage electricity to low voltage for distribution



Distributors

Carry low voltage electricity to consumers



Consumers

Play a passive role



Homes, offices and factories use electricity for lighting and heating and to power appliances

Source: AEMO website

WHY REGULATE?

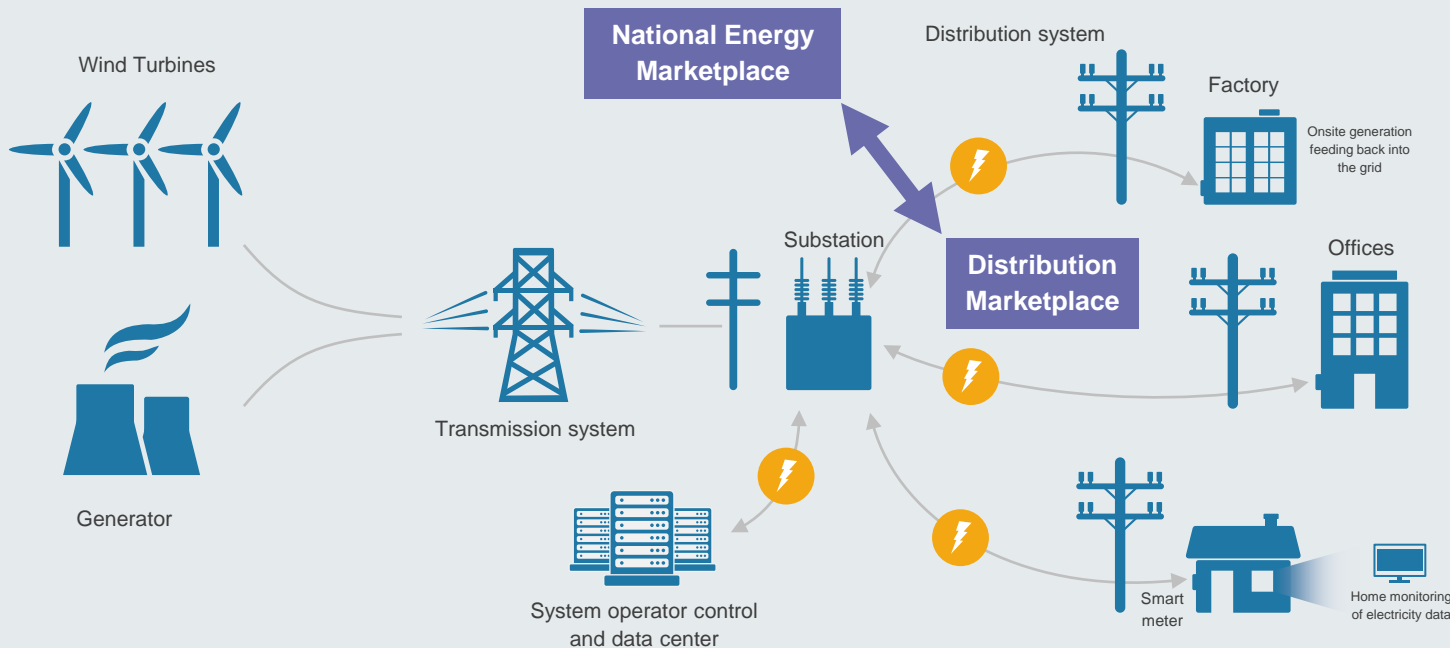


Regulation is unpopular



Response to interest groups as
a result of protectionism and popularism

WHAT IS CHANGING?



Source: <http://www.dream-smartgrid.eu/market-benefits-for-costomers/>



Redefined
roles



Determine
value



Adjust to
reflect
changes

FOCUSING ON



Reliability



Consumer Protection



Regulation can't control the weather

Photo: Twitter/Vic_Rollison



PPAs (not new but an example of a innovative product)



Small Generation Aggregation (access the wholesale market)



Valuation of embedded renewable generation

Embrace change