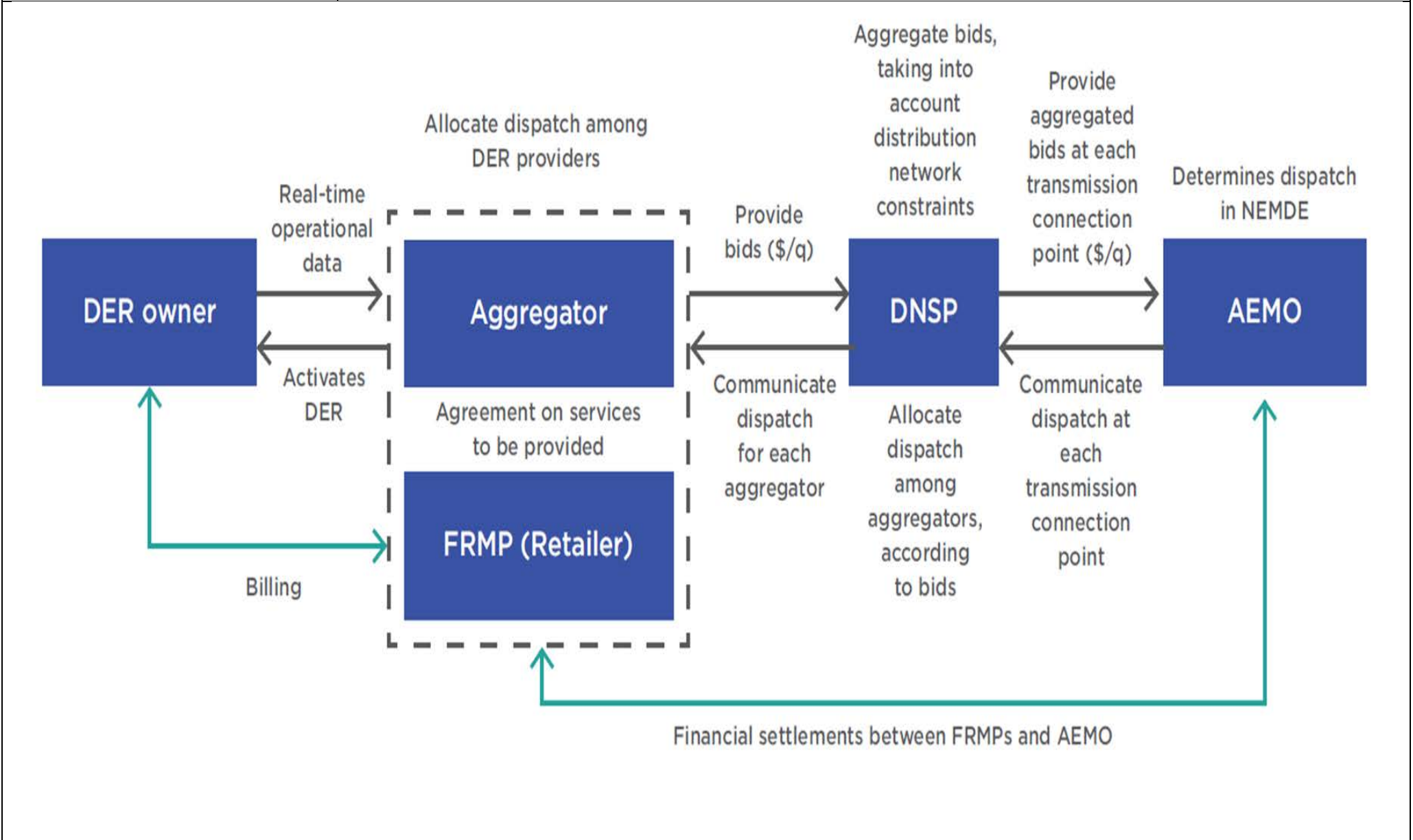


## Session 4: Frameworks for DER Optimisation

**Table No:** Option 2 - Two Step Tiered Platform: DNSPs optimising distribution level dispatch



<b>Advantages of this model</b>	<ol style="list-style-type: none"> <li>1) Allows DNSPs to take responsibility for management of DER in their own networks, who are best placed to understand, quantify and manage the limits of their own network.</li> <li>2) Limits duplication of resources.</li> <li>3) Facilitate a more decentralised operation of distribution networks, allowing operational strategies that manage “fringe of grid” operations without the need for constant centralised control.</li> </ol>
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<b>Disadvantages of this model</b>	<ol style="list-style-type: none"> <li>1) DNSPs would need to establish the capability to manage real-time dispatch processes, and real-time management of their networks with respect to non-network assets.</li> <li>2) The interface between DNSPs and AEMO around the communication of aggregated bids in real-time will need be carefully designed to minimise complexity. This model may cause challenges in integrating NEMDE optimisation with distribution network optimisation.</li> <li>3) DNSPs may not be perceived as adequately independent and unbiased.</li> </ol>
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<p><b>Do you agree with the advantages listed for this model?</b></p> <p>Are there other advantages we should consider?</p>	
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<p><b>Do you agree with the disadvantages listed for this model?</b></p> <p>Are there other disadvantages we should consider?</p>	
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<p><b>Could this model be modified or enhanced?</b></p> <p>If so how?</p>	
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