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19th May 2023
Mr. Andrew Swanson
AEMC
Level 15
60 Castlereagh Street
Sydney NSW 2000

Consultation Feedback for AEMC Project Reference: EMO0045

Dear Mr. Swanson,

SMA thanks AEMC for the opportunity to provide feedback on Section 3 of AEMC's draft report titled "Review into consumer energy resources technical standards" published on 27th April 2023.

Feedback on Draft Recommendation 1: Remove historical device settings

Historical versions of 4777.2 are needed for warranty purposes as well as for installations in New Zealand and Pacific Islands that includes Fiji, Vanuatu etc. These countries currently allow installation of devices that are compliant to historical versions of AS/NZS 4777.2.

SMA proposes the following to achieve AEMC's intent while also retaining the ability to fulfill warranty obligations and meet New Zealand & Pacific Islands' expectations.

1. Ensuring previous versions of 4777.2 are at the very end of selectable options, this can be achieved by pushing 4777.2:2005/2015 down to the very bottom of a dropdown list and keeping 4777.2:2020 as one of the very first few available options

But if DNSPs in Australia and New Zealand can agree and execute on the following, SMA would agree on implementing Draft Recommendation #1.

1. For new connection agreement, DNSPs to include "for warranty replacement, regional settings that are newer to the existing regional settings can be selected" or similar context
2. For existing installed base, DNSPs to notify industry that latest regional settings can replace existing regional settings for warranty replacement
3. DNSPs may also have to educate system owners that their system performance (exports etc) may differ when their system is set to 2020. A small portion of system owners may complain about their reduced FIT and power generation etc.

Realistically speaking, this proposed change will only have a measurable market impact from 12-18 months after implementation as existing stock, firmware changes and production updates will take time to changeover and implement.



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Feedback on Draft Recommendation 2: Make 'Region A' the default setting

While SMA understands and appreciates AEMC's intent behind this recommendation, SMA does not agree that this is the appropriate response to increase AS/NZS 4777.2:2020 compliance, as there are a few concerns on this recommendation.

1. AS/NZS 4777.2:2020 Clause 4.9 states that regional settings shall be selected and activated by authorised person, a wording change in AS/NZS 4777.2 is needed to accommodate this recommendation.
2. DNSPs may have different protection settings that differs from Region A's default settings and usually require installers to change this manually. Installers may miss out to set a DNSP's specific protection settings if this is done automatically.
3. For Western Australia, Tasmania and New Zealand, installers will have to remove the default 'Region A' and then reselect the appropriate regional settings, inverters may not be configured to the appropriate local regional settings.
4. Successful implementation of Draft Recommendation #1 will have a higher net positive impact on compliance rate and therefore implementation of Draft Recommendation #2 will not be critical in further increasing compliance rate.

Feedback on Draft Recommendation 3: Update devices remotely to support compliance

SMA is on board with this recommendation and have voluntarily met AEMO's requests to remotely update inverters, however the industry will have to define the following to create a robust process:

1. Establish framework to define legal accountability and liability for this process.
2. Establish cybersecurity protocols to reduce risk of malicious fleet wide remote update that may threaten grid integrity.



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Conclusion

SMA is committed to work with relevant stakeholders for a smooth transition to clean energy be it through continuous product improvements or guidance for correctly commissioning CER devices. SMA believes that CER devices can only be effectively integrated nationally if each party in the Distributed Energy industry execute their role and responsibilities proficiently (Figure 2 in [AEMO's Technical Report](#)).

Best regards,

A handwritten signature in black ink, appearing to read 'Doris Spielthener', written in a cursive style.

Doris Spielthener

SMA Australia

Regional Manager APAC & Managing Director Australia & NZ

19th May 2023