

Australian Energy Market Commission (AEMC) Review into Consumer Energy Resources Technical Standards Consultation Paper

SA Power Networks welcomes the opportunity to provide feedback to AEMC's draft recommendations. We broadly agree with the premise of the draft report and support the AEMC's efforts on CER compliance but feel it could do more in creating long-term structural frameworks that ensure compliance and enforcement of CER standards. We broadly support the bulk of the recommendations, some with minor amendment, as summarised below. Recommendations 11 and 12 we consider need significant rework.

AEMC Recommendation	1	2	3	4	5	6	7	8	9	10	11	12	13
SAPN's support ¹													

We provide further detail below.

However, in addition to recommendations described in the consultation paper, we consider that additional steps should be taken to ensure tangible progress toward longer-term reform outcomes. These are as follow:

A. The Clean Energy Regulator roles and responsibilities are expanded.

SA Power Networks do not believe a new national regulator is needed to achieve long-term CER standards and compliance improvements. Instead, we suggest instilling new roles and responsibilities into an appropriately aligned existing entity. We believe the Clean Energy Regulator is the right place to achieve this, as it is highly aligned with existing roles and responsibilities in managing the Small-scale Renewable Energy Scheme (SRES).

New and changed obligations, see Attachment 1 for a visual representation:

- Oversee the development of a Consumer Energy Resource (CER) technical standards roadmap.
- Administer appropriate testing and certification for relevant standards, including: AS4777, the Australian implementation of IEEE 2030.5 (CSIP-AUS), and relevant future standards like Electric Vehicles.
- Permit flexibility in the national standards for implementation by local jurisdictions.
- Review and track the implementation and performance of CER technical standards.
- Adjudicate and clarify standards disputes.

The Clean Energy Regulator would continue to perform this regulatory function, even after the end of the SRES.

¹ Green indicating SAPN strongly supports and believe the recommendation will make substantial impact. Amber indicating support but SAPN believe it will deliver less impact. Red indicating SAPN does not support the recommendation.

B. Minor updates to existing Clean Energy SRES scheme:

We believe there is immediate opportunity for updating the Clean Energy Regulator's SRES. We note that in the current SRES claim process the installer cannot claim Small Technology Credits (STCs) without a valid solar approval from the DNSP. We recommend this is adjusted to reflect a requirement for a valid close-out certificate from the DNSP which is only issued after the equipment is commissioned in accordance with the requirements of the DNSP.

C. Considering our previous recommendations²:

- More formally establish the DNSP role in detecting and actioning non-compliance with connection agreements. The DNSP is in a unique position to perform this role, having relationships with every party in the CER lifecycle and an ability to detect non-compliance. This formalisation would require the DNSP to monitor and manage compliance and enable the DNSP to seek regulatory funding for performing this function.
- Establish consumer protections for non-compliant equipment.
- Establish rules and standards to address the growing role of CER aggregators.
- Refer to attachments 2 and 3 of this document which further outline our recommended roles and responsibilities for CER compliance.

Specific feedback on AEMC's list of draft recommendations for immediate action

In response to AEMC's list of draft recommendations for immediate action, we provide the following feedback:

AEMC Recommendation 1: Remove historical device settings.

We support this recommendation and further believe there are no grounds for maintaining legacy settings on devices. Where legacy devices are installed under warranty obligations new settings should be applied in accordance with DNSP connection rules.

AEMC Recommendation 2: Make 'Region A' the default setting.

We support this recommendation; however, we anticipate that this may present challenges for Original Equipment Manufacturers (OEMs) that are supplying devices to Australia with international products.

AEMC Recommendation 3: Update devices remotely to support compliance.

We support this; however, we are aware that not all OEMs have the capability to update devices remotely which will impede the implementation of this.

AEMC Recommendation 4: Make CER technical standards mandatory for New Energy Tech Consumer Code (NETCC) Approved Sellers

We support this, provided that relevant support training on the required NER CER technical standards is provided to new energy tech providers.

² [SA Power Networks Response to Australian Energy Market Commission \(AEMC\) Review into Consumer Energy Resources Technical Standards Consultation Paper](#)

AEMC Recommendation 5: Mandate CER technical standards training for Small-scale Renewable Energy Scheme (SRES) accreditation.

We support this but only if the Clean Energy Regulator roles and responsibilities are expanded, as per our opening recommendation. Without these expanded roles and responsibilities there are likely to be limitations to the scope and effectiveness of SRES training as the scheme is time-bound and only applies to solar.

AEMC Recommendation 6: Funded training on CER technical standards for installers

We support and have previously developed and deployed training materials for our Flexible Exports Program.

AEMC Recommendation 7: Guidance on CER technical standards for installers

We support and have previously developed and deployed training materials for various CER programs including Smarter Homes Relevant Agent Scheme and our Flexible Exports Program.

AEMC Recommendation 8: Introduce commissioning sheets for CER devices.

We strongly support the concept of a close-out process for CER applications. We believe the process should be digital, linked to the original application, and integrated with local safety authorities' declarations to minimise duplication of data entry. SA Power Networks has found the implementation of a close-out process is essential in measuring levels of compliance. As per our opening recommendations, we highly recommend the requirement for issuing STCs should rely on the close-out step, not on the pre-install approval.

AEMC Recommendation 9: Accelerated smart meter deployment with improved data access.

We support and believe that access to greater levels of data is essential in the monitoring of CER compliance.

AEMC Recommendation 10: Access to OEM compliance data.

We support and believe that access to greater levels of data improves compliance visibility.

AEMC Recommendation 11: Defined process for contacting consumers.

We do not believe DNSPs should be the first point of call for non-compliances. Compliance roles and responsibilities lie with the party selling and installing CER. DNSPs do have the ability to detect non-compliance but have limited methods of actioning them. In SA Power Networks compliance program, Solar Retailers and installers are made aware of their non-compliances and are encouraged to proactively action them.

We believe consumers may be confused and frustrated if expected to remediate non-compliances they have little awareness of or control over. However, we acknowledge that in some instances it will be necessary to contact the customer where the DNSP is unable to contact the solar retailer/installer e.g., where there is an installation without approval.

AEMC Recommendation 12: Subsidised re-configuration of non-compliant devices.

We agree that disconnecting a customer site due to CER non-compliance is a disproportionate response. However, instead of subsidising cost of re-configuration of non-compliant devices, we believe a more appropriate solution would be to provide DNSPs with the right to disconnect the non-compliance CER until it is rectified. This would be consistent with DNSPs approach with larger CER installations.

We do not support a reconfiguration subsidy as it could be perceived as rewarding poor compliance practises. As outlined in our response to recommendation 8, SA Power Networks has [implemented a program](#) to incentivise installers to rectify non-compliant installations, by 'blocking' the ability of applicants with poor compliance practises to apply for further CER connections until compliance of previous installations is rectified.

AEMC Recommendation 13: Progress reform of national regulation.

As per our introductory statements, we support reform of national regulation, and believe that AEMC should take immediate steps to proceed with the reform it has outlined. From the options presented, we believe option 2 (reform existing organisations) is the most desirable approach to be progressed.

Thank you for the opportunity to make a submission to the draft recommendations. We look forward to participating in the implementation of the recommendations made by the AEMC. If you wish to discuss this submission, please contact Brendon Hampton, Head of Network Strategy, brendon.hampton@sapowernetworks.com.au.

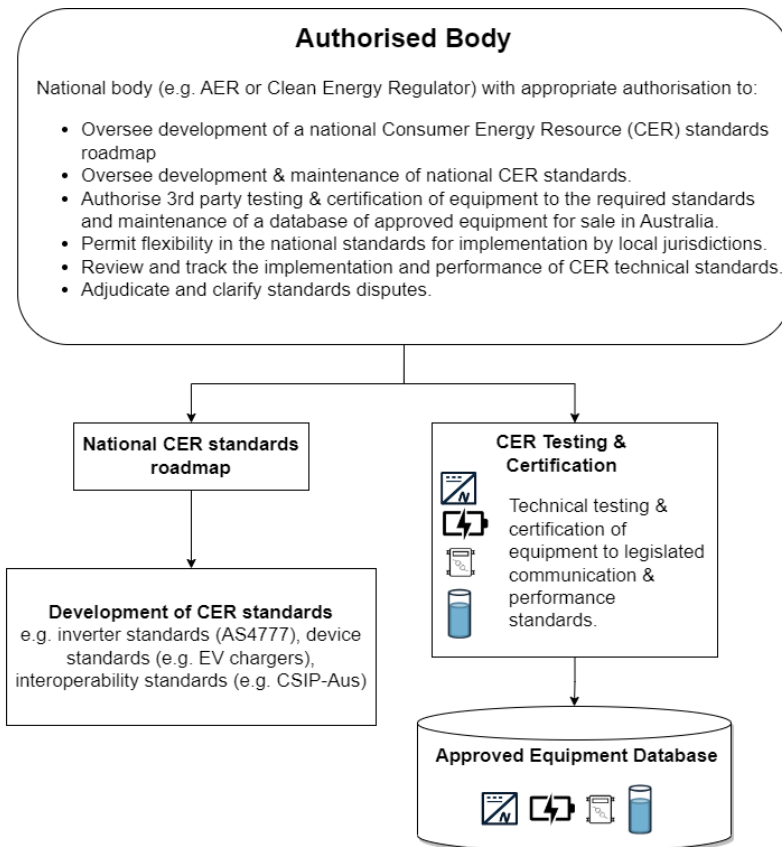
Yours sincerely



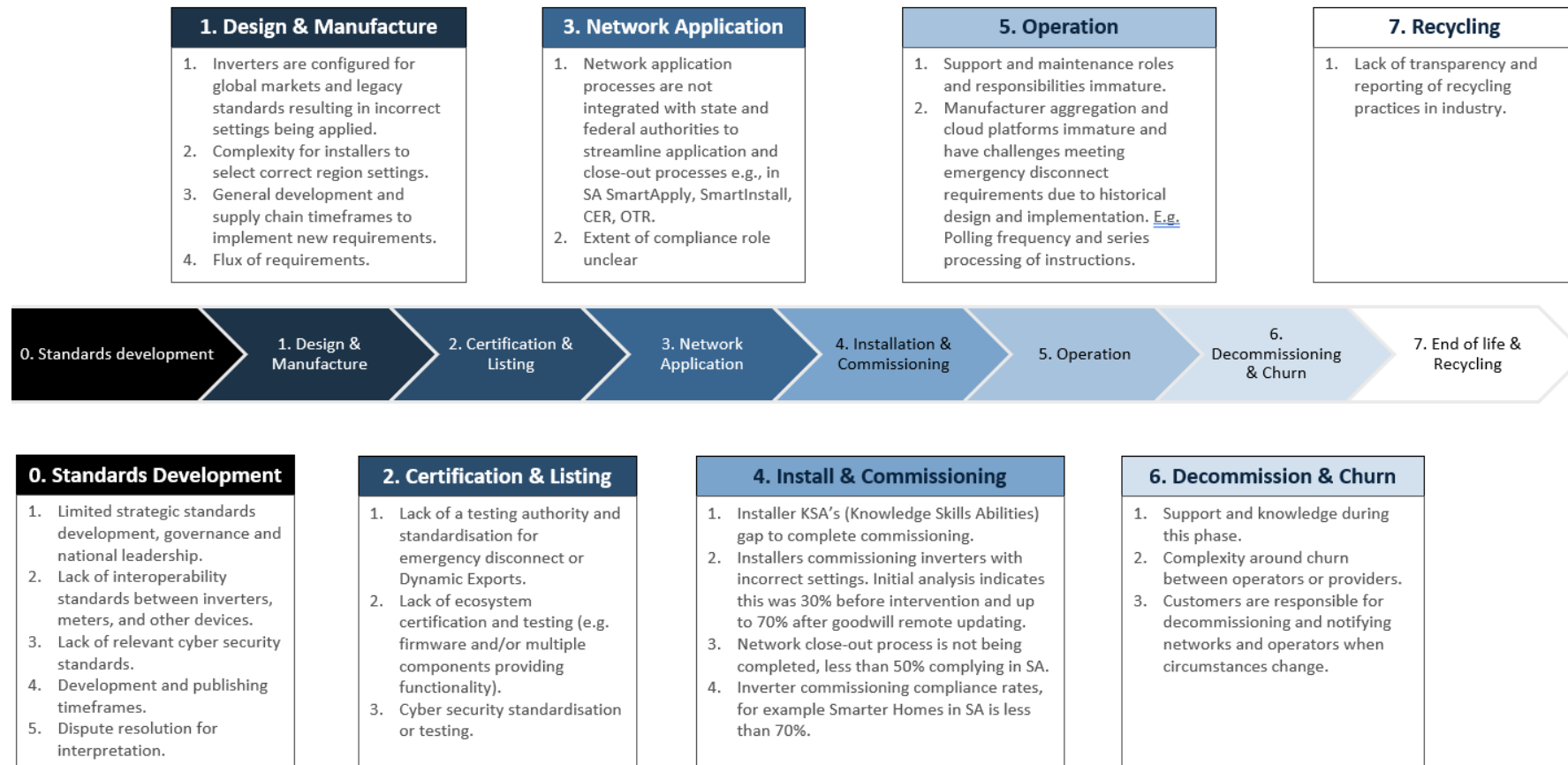
Mark Vincent

Executive General Manager Strategy & Transformation
SA Power Networks

Attachment 1 – SA Power Networks CER technical reformation suggestion



Attachment 2: Compliance Challenges in the DER lifecycle



Attachment 3: Ideal roles & responsibilities

Products	Services	Regulated	Regulatory
<p style="text-align: center;">OEMs</p> <ul style="list-style-type: none"> • Design products that are easy to commission through a simple, intuitive, data validated process. • Remove legacy grid setting standards/firmware from devices. • Pre-program devices with the right default firmware and grid settings. • Enhance install and commissioning instructions and tools. • Provide training and support on how to correctly set up equipment. • Periodic quality audit of installers (remote). • Develop and share with oversight bodies implementation plan for new standards. • Automated firmware update and grid settings defaulting process. • Provide periodic compliance data to relevant parties e.g. settings, firmware etc. (DNSP, CEC, AEMO). • Offer 'over the air' update service to installers for non compliant systems. • Provide ready access to technical support for installers. 	<p style="text-align: center;">Solar Retailers</p> <ul style="list-style-type: none"> • Manage the quality of their installers to ensure compliance (using DNSP connection portal for insight). • Develop support models for equipment and software. <p style="text-align: center;">Installers</p> <ul style="list-style-type: none"> • KSA's (Knowledge Skills Abilities) improvement to support new technology via training and accreditation. <p style="text-align: center;">Operators/Relevant Agents</p> <ul style="list-style-type: none"> • Maintain support models for equipment and software. <p style="text-align: center;">Certification</p> <p>Test Houses</p> <ul style="list-style-type: none"> • Assess technical implementation approach of new standards/firmware as part of testing process. <p>Listing Authorities</p> <ul style="list-style-type: none"> • Only list products that can demonstrate steps taken to address compliance e.g. OEM actions below. • List ecosystems of certified devices. 	<p style="text-align: center;">AEMO & NSPs</p> <p>DNSPs</p> <ul style="list-style-type: none"> • Introduce digital end-end connections process that links applications right the way through to successful commissioning. • Only list products that have demonstrated compliance credentials i.e. via CEC listing process. • Introduce compliance management scheme for solar retailers e.g. limiting or blocking new applications until compliance improves. • Integrate with local regulator, CER and AEMO DER database processes to reduce installer data entry requirements and improve data quality. • Provide periodic compliance related insights from connections process with relevant parties (OEMs, CEC, AEMO, AEMC, local regulators). • Engaging with industry to help them understand their roles, responsibilities and obligations. • Mandate close out of jobs with required information as part of connection process. • Provide links to OEMs commissioning instructions via connections portal. • Autonomous data analysis to identify compliance issues. • On-going performance reporting to relevant parties. • Action non compliant sites via agreed escalation process. • Provide simple means to update and remove devices on site as part of digital end-end connections process. • Establish process and systems to notify customer inheriting systems of options and obligations. <p>AEMO</p> <ul style="list-style-type: none"> • On-going performance reporting on ride through of inverters during system disturbance to relevant parties. • Performance management system security functions (e.g. EUFR) 	<p style="text-align: center;">Oversight bodies</p> <p>AEMC (w/DEIP)</p> <ul style="list-style-type: none"> • Develop strategic roadmap of required capabilities. • Engage with the industry to build understanding and support for new standards. • Representative WGs to develop standards. • Standards design to consider whole of eco-system operation i.e. how will it work and how can we maximise outcomes? • Embed standards into the NER by referencing a subordinate instrument that can be updated more readily through an appropriate governance structure. <p>Local regulators</p> <ul style="list-style-type: none"> • Increase site audits. • Analyse compliance data from DNSP and OEMs. • Introduce license penalty scheme. • Integration with DNSP connections process and reduce installer data entry requirements and improve data quality. • Engaging with industry to help them understand their roles, responsibilities and obligations. <p>Clean Energy Regulator</p> <ul style="list-style-type: none"> • Oversee CER technical standards and compliance. • Integration with DNSP connections process to reduce installer data entry requirements and improve data quality. • Require mandatory periodic compliance training to maintain accreditation.