



INFORMATION

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Consultation starts on governance of distributed energy resources technical standards

The Australian Energy Market Commission has started consultation on a rule change request seeking to introduce new governance arrangements for distributed energy resources technical standards across the national electricity market.

The rule change request

The rule change request to the Australian Energy Market Commission (AEMC) submitted by Dr Kerry Schott AO seeks to introduce new governance arrangements for distributed energy resources (DER) technical standards. Specifically, the AEMC would determine DER technical standards for the national electricity market (NEM) by:

- establishing DER technical standards as part of the National Electricity Rules (NER) or a subordinate instrument under the NER
- implementing standards through customer connections.

The rule change request also proposes that the AEMC:

- collaborate with the Australian Energy Market Operator (AEMO) and the Australian Energy Regulator (AER) in developing and updating DER technical standards
- obtain expert advice to support its standard setting functions by either:
 - establishing an advisory committee (standing or ad hoc) under the National Electricity Law (NEL), or
 - engaging external consultants
- develop and maintain a technical standards work program.

These new governance arrangements have been proposed to address concerns regarding:

- the inability to implement consistent technical standards across the NEM
- a need for a fast, flexible and transparent standards setting process suitable for the fast-changing nature of DER technology and energy markets.

Interaction of the request with other DER work

New DER technical standards for the NEM will commence on 18 December 2021, as a result of a recent rule change made in response to a request from AEMO. The rule will incorporate Australian Standard 4777.2:2020 for embedded generating units connecting to a distribution network through a micro EG connection service into the NER. This will have the effect of introducing the technical standards across the NEM.

Dr Schott's rule change request was submitted when the AEMC was part way through the rule making process for AEMO's request.

Next steps

The consultation paper and the rule change request are available on the AEMC's website.

Stakeholders are invited to make written submissions by 7 October 2021. The AEMC expects to publish a draft rule determination in December 2021.

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