

14 January 2021

Mr Alex Oeser
Senior Adviser
Australian Energy Market Commission
GPO Box 2603
Sydney NSW 200

Electronic Lodgement

Dear Mr Oeser,

Consultation on Technical Standards for Distributed Energy Resources Reference ERC0301

Energy Networks Australia are pleased to have the opportunity to make this submission in response to the Australian Energy Market Commission's (AEMC) Consultation on Technical Standards for Distributed Energy Resources being proposed by the Australian Energy Market Operator (AEMO).

Energy Networks Australia is the peak industry body representing Australia's electricity transmission and distribution and gas distribution networks. Our members provide more than 16 million electricity and gas connections to almost every home and business across Australia.

We and our members are supportive of efforts to improve energy security and technology standards for Distributed Energy Resources (DER) in the National Electricity Market (NEM) and by extension the Wholesale Electricity Market (WEM).

It is pleasing to see that the AEMC has taken stakeholder feedback on board by choosing to make a more preferable rule which addresses the majority of members' concerns. However, there are some issues that should continue to be considered as a part of this and future processes.

Key Messages

- » DNSPs are supportive of the need to incorporate voltage ride-through capability in residential invertors and have noted the latest iteration AS4777.2:2020. DNSPs foresee no significant issues in incorporating the latest standard in future connection agreements.
- » DNSPs still consider compliance to be a critical issue and that "light touch" compliance and enforcement by the CEC and CER may not drive the desired outcomes in the timeframes expected.
- » We strongly support the AEMC decision to remove cybersecurity, interoperability and governance from consideration in this rule change, so that they may be better considered in more appropriate processes.

DNSPs support additional voltage ride-through capabilities

It has been a longstanding requirement that all DNSP connection agreements require the invertors to be compliant to the latest CEC and AS4777 standards. As the AEMC notes the most recent version being AS4777.2:2020 and ENA foresees no significant impact to using the latest standard.

ENA will work with our members to update our basic and LV connection guidelines to reflect the rule once finalised.

Compliance and enforcement

DNSPs have a regulated responsibility to maintain network voltage and safety requirements. This involves providing connections and specifying the standards that those connections must meet.

Despite being required in connection agreements, adherence to the current AS4777 is not assured and is currently a challenge for DNSPs in managing voltage. Whilst we support the direction of the rule change it is unlikely to result in any practical or significant uplift of DER minimum performance in the existing DER fleet without stronger enforcement, especially in the short-term.

Enforcement of DER standards is not the responsibility of the DNSP and therefore not one they are currently funded to undertake. We are pleased to see that additional responsibilities have not been placed on DNSPs when many have only recently begun new regulatory cycles.

Cybersecurity, interoperability and governance

We welcome the AEMC decision to exclude cybersecurity, interoperability and DER governance in their preferred rule. It reflects ENAs view that these issues are critical but require a more considered approach that might be better addressed in the ESB Governance of distributed energy resources technical standards¹ rule change (ERC0319).

We thank the AEMC for the opportunity to make a submission to this important work and appreciate the extensive engagement with DNSPs undertaken as part of this process. Should you have any queries on this response please feel free to contact Dor Son Tan, Head of Distribution at dstan@energynetworks.com.au.

Yours sincerely,



Andrew Dillon
Chief Executive Officer

¹ <https://www.aemc.gov.au/rule-changes/governance-distributed-energy-resources-technical-standards>