
15 February 2024

Jessie Foran
Australian Energy Market Commission
Level 15, 60 Castlereagh Street
Sydney NSW 2000
Submitted online

Dear Jessie,

Re: Submission on the Proposed Rule Change for Resetting Powerlink's System Strength Unit Prices (SSUPs)

Sungrow Australia appreciates the opportunity to lodge a submission on Powerlink's proposed rule change to reset the System Strength Unit Prices (SSUPs).

Sungrow Australia commends Powerlink for initiating this critical review and is pleased to express our support for the proposed resetting of the SSUPs.

We recognize the potential benefits outlined by Powerlink, including fostering a more efficient and sustainable electricity market.

This submission aims to constructively contribute to the discourse, ensuring that the adjustment aligns with current market conditions and embodies the principles of transparency, fairness, and forward-thinking, ultimately benefiting all stakeholders involved in the National Electricity Market (NEM).

1. Effectiveness of the Proposed SSUP Reset

Sungrow Australia advocates for a detailed justification of Powerlink's reset SSUPs, emphasizing the necessity for these to mirror the most accurate cost projections. We suggest establishing a structured mechanism for periodic reviews or updates to ensure ongoing alignment with evolving market conditions and technological advancements.

2. Alignment with Market Efficiency and Investment Signals

Sungrow Australia perceives the SSUP reset as pivotal in shaping investment decisions and market efficiency. We propose that the reset SSUPs be structured to offer clear, consistent investment signals, thereby nurturing market confidence and facilitating long-term strategic planning.

3. Safeguards and Transparency

We call for heightened transparency in the methodology for calculating and adjusting SSUPs. Sungrow Australia recommends implementing stringent safeguards and oversight mechanisms to uphold fairness and prevent potential exploitation.

4. Long-term Strategy and Technological Considerations

Lastly, we propose that the SSUP framework be designed to be flexible and responsive to future market shifts and technological innovations. This adaptability is crucial in maintaining the framework's relevance and efficacy, particularly in steering the energy sector towards a greener and more innovative future.

Conclusion:

Sungrow Australia values the opportunity to participate in this consultation process and is optimistic about the potential enhancements to the SSUP framework.

Our feedback and recommendations will contribute positively to the refinement of the proposal, promoting a secure, reliable, and economically efficient electricity market that aligns with the overarching objectives of the National Electricity Market and serves the long-term interests of all stakeholders.

Sungrow is grateful for this platform to share our insights and looks forward to continuing discussions with the AEMC on these issues and actively participating in shaping a dynamic, resilient, and forward-thinking electricity system. Should you have any questions or wish to discuss any aspect of this submission, please feel free to contact.

Alfred.li@au.sungrowpower.com.

Yours Sincerely,



Alfred Li
Grid Connection Specialist
Sungrow



Henry Liu
Technical Director
Sungrow