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25 March 2025

Anna Collyer Chair Australian Energy Market Commission Level 15, 60 Castlereagh St Sydney 2000 E: aemc@aemc.gov.au

Feedback on Including Distribution Network Resilience in the National Electricity Rules

Dear Ms Collyer,

I am writing to you to express support on behalf of SMA-Australia for the Australian Energy Market Commission (AEMC) Draft Determination to amend the National Electricity Rules (NER) to include distribution network resilience.

SMA is a leading global specialist in photovoltaic (PV) system and battery energy storage system (BESS) power conversion and control technology. Our product range spans the home rooftop sector, commercial and industrial applications, and large grid-scale applications. Our PV solar inverter and battery storage products are complemented by components for energy management, system monitoring, and data analysis. SMA has a global inverter capacity of 140 GW in more than 190 countries and more than 9GW inverter capacity in Australia. We are headquartered in Germany, with employees in 20 countries.

SMA strongly supports the proposal to allow distribution network service providers (DNSPs) the option of upfront expenditure to make their networks more resilient. The proposal is timely and important because climate change is increasing the risk of severe weather events and long-duration outages.

We support the proposal to establish a formal framework in the NER for distribution network resilience expenditure, planning and reporting, which would include:

- new resilience expenditure factors that DNSPs and the Australian Energy Regulator (AER) would need to have regard to when proposing and assessing capital and operating expenditure for resilience,
- formal guidelines which the AER must develop, publish and maintain, and
- new distribution annual planning and reporting requirements for resilience.

We welcome the implementation plan which provides that, from 2 October 2025, the Victorian DNSPs may take the new resilience expenditure factors into account in their revised regulatory proposals, and the AER must take the new factors into account in its final determination for those DNSPs for the 2026-31 regulatory control period.



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SMA-Australia's head of Energy Policy and Regulation, Darren Gladman, will continue liaising with your staff on our behalf.

Best regards,

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John Alexander SMA Australia Vice President Large Scale