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National Energy Retail Amendment (Governance of Distributed Energy Resources Technical Standards) Rule 2022

I am making this response on the basis of long-standing involvement with electrical product standards, both for energy efficiency and demand response.

As one of the original members (and since 2018, chair) of Standards Australia committee EL-054, established in 2005, I helped draft AS/NZS 4755 *Demand response capabilities and supporting technologies for electrical products*.

I am also Secretary of IEC TC 59 Working Group 15, *Connection of household appliances to smart grids and appliances interaction*, which prepared IEC Technical Specification 62950:2017 *Household and Similar Electrical Appliances – Specifying smart capabilities of appliances and devices – General aspects*.

George Wilkenfeld & Associates (GWA) prepared the cost-benefit analysis which supported COAG Energy Council's November 2019 decision to mandate compliance with AS/NZS 4755 for selected products.¹ We have also undertaken demand response policy work for the Government of South Australia.

This submission represents only the views of GWA, not the positions of any of the bodies or committees with which I am associated.

In August 2020, GWA made a submission to the Energy Security Board *Governance of DER Technical Standards Consultation Paper*, in which we supported the establishment of a DER Standards Governance Committee that would be initially advisory, not determining.

The proposed Rule Change seems to concentrate on a regime that can set nationally consistent DER technical standards for small-scale PV systems and batteries. I recognise the value of that, but I am concerned how the proposed regime might impact on technical standards for other products with significant DER potential.

The ESB Consultation Paper's definition of DER included appliances (loads) as well as small-scale energy generation and storage systems. It is my understanding that the proposed Rule Change would only enable the proposed Committee on DER Technical Standards to adopt DER technical standards for products requiring an *application for connection*.

¹ <https://www.energyrating.gov.au/document/regulation-impact-statement-decision-smart-demand-response-capabilities-selected-appliances>

It is likely that fixed electric vehicle supply equipment that is capable of managing discharge of energy from the EV to the grid (V2G EVSEs) will also be subject to application for connection, and so will come within the scope of the proposed Committee on DER Technical Standards.

However, there are many other load-only DER resources which would not be covered by connection rules (unless individual DNSPs set rules for their connection, which would defeat the aim of national consistency), e.g.

- Air conditioners;
- Electric water heaters;
- Pool pump controllers;
- Home Energy Management Systems;
- EVSEs (charge only, or V1G – which will be *all* EVSEs until V2G becomes widespread, which according to the EV industry will not occur for many years).

Other regulatory approaches will continue to be necessary to set technical standards for this group of DER products, outside the scope of the proposed Committee on DER Technical Standards, since its jurisdiction would necessarily be limited to products that come within the scope of the National Electricity Law.

The national interest will require that the communications protocols and cyber-security provisions governing both product groups be co-ordinated, or at least not inconsistent, and this policy and co-ordination function does not appear to be well served by the proposed governance arrangements.

I would recommend that:

(re Q 5.1) The power of the proposed committee for *determining* DER technical standards in the NEM should be restricted to products subject to an application for connection. For other products, the committee should have *advisory* functions only.

(re Q 5.3) The committee should include members with experience in national appliance efficiency and demand response policy development. One could be a nominee of the E3 Energy Efficiency Advisory Team (of Commonwealth, State and Territory officials), which would link the committee to the work of the E3 Program and the GEMS Act.

I am happy for this submission to be made public.

Sincerely



Director
George Wilkenfeld & Associates