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SA Power Networks – Ring-fencing waiver – Market Active Solar Trial

AGL welcomes the opportunity to provide a submission to the Australian Energy Regulator's (**AER**) SA Power Networks (**SAPN**) application for a ring-fencing waiver published in February 2024.

Proudly Australian since 1837, AGL delivers around 4.3 million gas, electricity, and telecommunications services to our residential, small, and large business, and wholesale customers across Australia. We operate Australia's largest electricity generation portfolio and have the largest renewables and storage portfolio of any ASX-listed company, having invested \$4.8 billion in renewable and firming generation over the past 20 years and added more than 2,350 MW of new generation capacity to the grid since 2003.

AGL recognises that to design appropriate tools to manage CER in a way that benefits the customer, as well as the network, we must work collaboratively with industry to test several approaches. We are a project participant alongside SAPN and Simply Energy in delivering the ARENA funded 'Market Active Solar (**MAS**) Trial'. Through the trial we are aiming to demonstrate how distribution network service provider (**DNSP**) dynamic operating envelopes (**DOEs**) can act in concert with retailer-initiated schemes that actively manage the output of a customer's solar inverter in response to market price signals. The trial is testing three integration models that could be deployed to combine retailer solar management offers with a flexible export limit or DOE. A common goal of each model is to achieve this at least cost to customers by avoiding duplication of communications infrastructure

We support the approval of the waiver to section 4.2 of the Ring-fencing Guideline for SAPN to undertake the full scope of the Market Active Solar trial from 1 July 2024 to 31 December 2025. While the ring-fencing waiver will not apply to AGL's participation, we recognise that it will enable an essential part of the trial that ensures we adequately test the several integration models. We note that the waiver should remain limited to the provision of services under integration model 3 and should not be utilised as precedent for any weakening of the Ring-fencing Guideline.

If you have any queries about this submission please contact Kyle Auret, Senior Manager at

Yours sincerely,

Ralph Griffiths

General Manager, Policy and Market Regulation