

From: [REDACTED]
To: [AER Ring Fencing](#)
Subject: SA Power Networks ring-fencing waiver application
Date: Wednesday, 6 March 2024 9:08:20 AM
Attachments: [image001.jpg](#)
[image002.png](#)
[image003.png](#)
[image004.png](#)
[image005.png](#)
[image006.png](#)

CAUTION: This email originated from outside of the organisation. Do not click links or open attachments unless you recognise the sender and know the content is safe.

Hello,

I am writing to provide support for a waiver to section 4.2 of the Ring-fencing guideline for SA Power Networks to undertake its Market Active Solar trial from 1 July 2024 to 31 December 2025.

The energy industry is rapidly evolving to include high levels of distributed energy. One of the challenges is managing distributed generation is the occasional excess of generated solar energy at times of minimum system load. This is most apparent in SA but will emerge in other jurisdictions in the coming years.

It is now widely recognised that DNSPs will need to move from increasingly restrictive static export limits to dynamic operating envelopes (DOEs) to manage these network limits while enabling customers to get the most out of their investment in customer energy resources (CER).

While the DOE provides the opportunity for networks and AEMO to manage network and system risks, they do not allow for energy market benefits. Supporting customer solar PV to be able to respond to market signals would result in better outcomes for all consumers with lower overall energy costs.

The infrastructure necessary to deliver the DOE has three primary communication pathways, of which the "SAPN to inverter" model is one. Allowing this waiver would support some retailers and aggregators to access customer inverters where they otherwise could not. This in turn would allow retailers to offer these customers products that improve their overall energy outcomes while reducing energy portfolio costs.

Other modes of inverter communications, such as direct from the retailer or via the OEM, are not directly impacted by this waiver. However, it will be important to gauge if there is any risk to these alternate pathways through the granting of this waiver.

While this is not part of the SAPN waiver, it will be important to also monitor the energy offers that are made to Market Active Solar customers to ensure that existing customer protections are maintained.

In light of the above, I support the proposed project as it seeks to provide practical demonstrations of how a retailer-led solar management offer can work in conjunction with a DNSP-provided DOE to achieve an outcome that benefits the customer, the market and the electricity network. If successful, the approaches demonstrated in this project could be adopted across the NEM, giving customers access to a range of retail offers that help them achieve the most value from their own CER while keeping within the safe limits of the network.

If you have any questions or would like to discuss specific topics further, please do not hesitate to contact me.

Regards,

Anthony Seipolt

**Director – Cadency
Consulting**





www.cadency.com.au

