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New energy technology, policy & strategy

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To whom it may concern

Letter of Support for SAPN Regulatory Waiver

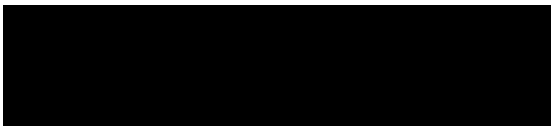
enX writes to support for a waiver to section 4.2 of the *Electricity Distribution Ring-fencing Guideline* for SA Power Networks to undertake its *Market Active Solar* trial from 1 July 2024 to 31 December 2025.

Dynamic Operating Envelopes (DOEs) are planned to be rolled out across all mainland NEM distribution networks as a way of managing the **grid-integration** of embedded generation and (in the future) flexible load. CSIP-Aus is the agreed national communications profile to communicate operating envelopes between the network business and the customer premises. It is derived from IEEE 2030.5, a more fully featured smart grid communications protocol originating in the US.

In addition to supporting DOE implementation, CSIP-Aus offers a potential communications vector by which market participants could communicate with customer devices to make them more price-responsive, with the network business acting effectively as a communications intermediary. This communications architecture for the **market-integration** of embedded generation and flexible load has the potential to result in reduced short-run and long-run costs for consumers. It makes use of digital infrastructure thereby reducing costs. By improving the market-integration of these resources, we understand SA Power Networks envisages economic self-curtailment could provide an alternative to, and complement, DOE, thus indirectly supporting them meet their network service obligations.

enX considers this is an important area that needs to be approached carefully regarding competition policy principles and the practical systems and processes needed to support a broader implementation of this approach. SA Power Networks' trial can inform part of one option for the market-integration of distributed energy resources that could prove beneficial to consumers in the future. SAPN talking this initiative, supported by a trial-limited regulatory waiver, will contribute to enormously to the assessment of the pros and cons of alternative smart grid management approaches.

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



Jon Sibley, Director