

## Australian Energy Regulator Canberra ACT 2601

SwitchDin Pty Newcastle NSW 2302

Subject: In Support of the SAPN CER Integration & Innovation Fund Submission

We are writing to provide our feedback and comments on South Australia Power Networks' (SAPN) CER Integration & Innovation Fund submission.

Firstly, we commend the Australian Energy Regulator (AER) for their diligent efforts in conducting the funding process, and we appreciate the opportunity to contribute our insights and perspectives to the regulatory processes involved. After careful review of SAPN's submission, our organisation would like to offer the following comments and suggestions:

**Stakeholder Engagement**: We encourage the AER to continue fostering meaningful stakeholder engagement throughout the regulatory process. Ongoing collaboration and dialogue with industry participants are essential for achieving regulatory outcomes that benefit all stakeholders.

**Clarity and Transparency:** We commend SAPN for the clarity and transparency provided in their submission. We support all of the well-considered initiatives tabled, particularly the significant upgrades to the low-voltage network aimed at decreasing export curtailment for residential consumers.

**Background:** SwitchDin has been collaborating closely with SAPN during the Energy Transition Focused Conversation period, achieving numerous key milestones and laying important foundations for Distributed Energy Resources (DER) management. Throughout this period, we've worked hand in hand with SAPN to address the challenges and opportunities presented by the energy transition.

**Value Delivery Strategy:** The balanced combination of software and infrastructure investments proposed by SAPN is commendable. We believe this strategy will deliver high value to both residential and commercial consumers alike, enhancing the overall reliability, function and efficiency of the South Australian power network.

**Low Voltage Visibility and Network Orchestration**: We agree that extensive low-voltage visibility and highly functional network orchestration are essential functions of a modern network architecture and are pleased to see SAPN making this a priority.

**CER Compliance:** Based on our direct experience with the world's first scaled deployment of Consumer Energy Resource (CER) control and management in South Australia (IEEE 2030.5 CSIP AUS), we are highly encouraged to see a comprehensive CER Compliance



program included in the submission. Ensuring OEM equipment is correctly designed, manufactured, and installed with the appropriate settings for AS4777 is crucial to enhancing the consumer experience and network reliability.

**Demand Flexibility:** SAPN's planned deployment of advanced dynamic operating envelopes and the facilitation of demand flexibility at scale through the implementation of an opt-in, reward-based flexible imports product, along with the expansion of other flexible exports systems, will we believe, play a pivotal role in the advancing energy economics for both residential, and the commercial and industrial sectors. Furthermore, we applaud SAPN's commitment to providing necessary 'guard-rails' to CER customers who invest in diversified assets such as batteries, electric vehicles, and other flexible loads within homes or businesses. The proposed reward system, including new tariffs and event-based payment mechanisms for immediate response, demonstrates SAPN's dedication to incentivising customer investments in flexibility and renewable energy outcomes.

**Enhanced Connection Agreements:** The proposed enhancements to connection agreements, including the provision of 'live' hosting capacity maps and automated connections assessment tools, will address key constraints we are concerned about with the desired transition to greater electrification targets, and 2030 net-zero ambitions as proposed in the Innovation Fund.

**Commercial and Industrial Innovation:** It's commendable to note that SAPN intends to provide new capabilities, addressing large batteries and public EV chargers, offering business customers the option to opt-in to a flexible connection in exchange for faster connections to the network and reduced network charges. Their planned enhancements to tariffs are poised to deliver significant value to VPP operators and all customers with batteries, irrespective of their size.

**Network Services Marketplace**: As proposed in the Innovation Fund the exploration of a network services marketplace, where VPP operators, DER aggregators, and battery operators can bid-in to support the network during constrained periods, will undoubtedly provide valuable insights and knowledge for future network management.

In conclusion, we extend our gratitude to the AER for their dedication to promoting a fair and efficient energy market and we appreciate the opportunity to provide our feedback and look forward to continued collaboration and dialogue on these critical matters.

Sincerely,

Richard James Frawley Executive - Strategy and Offers SwitchDin Pty Ltd