

Electricity Industry Act 2000

MINISTERIAL ORDER SPECIFYING LICENCE CONDITION 2024

I, Lily D'Ambrosio, Minister for Energy and Resources and as Minister responsible for administering the *Electricity Industry Act 2000* (the Act), having –

- a) had regard to –
 - i. any significant costs and benefits for an affected licensee or any other person that are likely to arise out of the making of this Order, in accordance with section 33AB(2)(a)(i) of the Act; and
 - ii. the written representations of the affected licensees, in accordance with section 33AB(2)(a)(ii) of the Act; and
- b) consulted with the Premier, the Treasurer, and the Assistant Treasurer, being the Minister administering the Essential Services Commission Act 2001, in accordance with section 33AD of the Act –

make the following Order under section 33AB(1)(a) and 33AC(1)(c) of the Act.

PRELIMINARY

1. Objective

The objective of this Order is to specify ministerial licence conditions, relating to the connection of relevant solar microgeneration units to the licensee's distribution system, for which a licence to distribute or supply electricity granted under section 19 of the Act is subject.

2. Commencement

This Order commences on 1 July 2024 and remains in force unless revoked.

3. Definitions and interpretation

In this Order—

AEMO has the same meaning as in the Act;

applicable customer in respect of a relevant solar microgeneration unit, means a person whose relevant solar microgeneration unit is connected to, or who may want to have its relevant solar microgeneration unit connected to, the licensee's distribution system;

AusNet means AusNet Electricity Services Pty Ltd, ACN 064 651 118;

CitiPower means Citipower Pty Ltd, ACN 064 651 056;

commencement date means the day on which this Order commences;

Commission has the same meaning as in the Act;

connection application has the same meaning as in the National Electricity Rules;

connection agreement has the same meaning as in the National Electricity Rules;

connection contract has the same meaning as in the National Electricity Rules;

connection offer has the same meaning as in the National Electricity Rules;

CSIP-AUS means the Common Smart Inverter Profile Australia, SA HB 218:2023 Handbook, published by Standards Australia on 16 June 2023 and as amended from time to time or if superseded, the document(s) listed by Standards Australia as superseding the SA HB 218:2023 Handbook;

curtail means limiting the export of electricity from an embedded generating unit into the distribution system;

distribution system has the same meaning as in the National Electricity Rules;

Electricity Distribution Code of Practice means the Electricity Distribution Code of Practice made by the Commission under Part 6 of the *Essential Services Commission Act 2001*, as in force at the commencement of this order and as amended from time to time;

embedded generating unit has the same meaning as in the National Electricity Rules;

embedded network has the same meaning as in the National Electricity Rules;

establish or alter a connection means —

- (a) the establishment of a new connection for an embedded generating unit; or
- (b) the modification of, or alteration to, an existing connection for an embedded generating unit—

to which the connection process under Chapter 5 or Chapter 5A of the National Electricity Rules, or the procedure under clause 5.3.9 of the National Electricity Rules, applies;

emergency backstop enabled means, in relation to a relevant solar microgeneration unit, that the unit is—

- (a) able to communicate with the licensee’s utility server via a communication channel that is compliant to IEEE 2030.5 CSIP-AUS and is hosted:
 - i. on the relevant solar microgeneration unit, or
 - ii. on a gateway device; or
 - iii. via a cloud connection; and
- (b) connected to the licensee’s utility server via the internet—

to enable the remote interruption or curtailment by the licensee of electricity generated by the relevant solar microgeneration unit;

IEEE 2030.5 means the Standard IEEE 2030.5-2018, Institute of Electrical and Electronics Engineers Standard for Smart Energy Profile Application Protocol, as in force at the commencement of this order and as amended from time to time;

interruption means the temporary unavailability of supply from an embedded generating unit into the distribution system;

Jemena means Jemena Electricity Networks (Vic) Ltd, ACN 064 651 083;

licence means a licence to distribute or supply electricity granted by the Commission to a licensee, pursuant to section 19 of the Act, as amended from time to time;

licensee means each of AusNet, CitiPower, Jemena, Powercor and United Energy;

low static export limit means a maximum specified capacity to supply into the distribution system at all times of day and in all network operating conditions that is lower than the maximum export capability as set out in the licensee’s model standing offer;

model standing offer has the same meaning as in the National Electricity Rules;

negotiated connection contract has the same meaning as in Chapter 5A of the **National Electricity Rules**;

Powercor means Powercor Australia Ltd, ACN 064 651 109;

relevant solar microgeneration unit means —

- (a) a solar photovoltaic embedded generating unit with a total capacity less than or equal to 200 kilovolt-amperes (kVA) but before 1 January 2025 does not include a solar photovoltaic embedded generating unit of a type set out in (b);
- (b) on and after 1 January 2025, includes a solar photovoltaic embedded generating unit in an embedded network, that has individual or separate solar photovoltaic embedded generating units each with an individual capacity less than 200 kVA, regardless of whether, when taken together, the total capacity may be more than 200 kVA—

for which the licensee establishes or alters a connection to the distribution system on or after the commencement date;

the Act means the **Electricity Industry Act 2000**;

United Energy means United Energy Distribution Pty Ltd, ACN 064 651 029;

utility server has the same meaning as in CSIP-AUS.

MINISTERIAL LICENCE CONDITION

4. Specification of Ministerial Licence Conditions

AusNet, CitiPower, Jemena, Powercor and United Energy are subject to the ministerial licence conditions set out in clauses 5, 6, 7 and 8 of this Order on and from the commencement date.

Note: A ministerial licence condition made under section 33AB of the Act is a civil penalty requirement under the **Essential Services Commission Act 2001**.

5. Ministerial Licence Conditions – Establishing or altering a connection of a relevant solar microgeneration unit

- (1) The licensee must not establish or alter a connection with a relevant solar microgeneration unit to the licensee's distribution system unless the licensee is satisfied that the relevant solar microgeneration unit is emergency backstop enabled.

Note: The types of actions the licensee may undertake to be satisfied include, but are not limited to, one or more of the following: 1) specification of an inverter or other device capability in a connection offer or connection agreement; and 2) receiving a certificate from the installer of the unit or device that specified such capability; and 3) conducting testing during the connection process to confirm the relevant solar microgeneration unit is emergency backstop enabled.

- (2) Subclause 5(1) does not apply if—

- (a) the applicable customer, or applicable customer's agent, advised the licensee that the relevant solar microgeneration unit is no greater than 30 kVA capacity and cannot practicably be connected to the licensee's utility server via the internet; or
- (b) the relevant solar microgeneration unit is between 30 and 200 kVA capacity and the licensee is satisfied that the licensee is capable of remotely interrupting or curtailing electricity generation by the unit despite not being emergency backstop enabled; or
- (c) the relevant solar microgeneration unit is in an embedded network and the licensee is satisfied that the licensee is capable of remotely interrupting or curtailing electricity generation by the unit despite not being emergency backstop enabled; or
- (d) the licensee received an application to establish or alter the connection of the relevant solar microgeneration unit before the commencement date of this Order.

- (3) The licensee must include terms in its model standing offer, negotiated connection contract, connection offer, connection contract or connection agreement (as the case may be) for the connection of a relevant solar microgeneration unit to the licensee's distribution system, that where subclause 5(2)(a) applies—

- (a) the relevant solar microgeneration unit connected to the licensee's distribution system must be able to communicate via a communication channel that is compliant to IEEE 2030.5 CSIP-AUS, either hosted locally on the inverter, or a gateway device, or via a certified cloud connection; and
- (b) a low static export limit applies.

- (4) The licensee must operate a utility server capable of remotely interrupting and curtailing electricity generation by an emergency backstop enabled relevant solar microgeneration unit connected to the licensee's distribution system.
- (5) The licensee must implement a process to monitor whether emergency backstop enabled relevant solar microgeneration units remain emergency backstop enabled and whether the licensee is capable of remotely interrupting or curtailing electricity generation by relevant solar microgeneration units.
- (6) The licensee must not remotely interrupt or curtail electricity generation by an emergency backstop enabled relevant solar microgeneration unit unless—
 - (a) directed to do so by the AEMO, or another person lawfully authorised by AEMO to issue that direction, under the National Electricity (Victoria) Law or the National Electricity Rules; or
 - (b) the licensee is carrying out tests to satisfy itself that the licensee is capable of remotely interrupting or curtailing electricity generation as required under this Order; or
 - (c) for any other matter agreed in writing with the applicable customer of the embedded generating unit.
- (7) The licensee must include terms in its model standing offer, negotiated connection contract, connection offer, connection contract or connection agreement (as the case may be) for the connection of a relevant solar microgeneration unit to the licensee's distribution system:
 - (a) to give effect to the requirements of this Order; and
 - (b) that the licensee may remotely interrupt or curtail electricity generation from the relevant solar microgeneration unit in the circumstances set out in clause 5(6) of this Order; and
 - (c) describing the process by which the licensee will advise the applicable customer that the relevant solar microgeneration unit will be or the unit has been remotely interrupted or curtailed.

6. Ministerial Licence Conditions – Notification requirements when interrupting or curtailing generation

- (1) The licensee when remotely interrupting or curtailing electricity generation in accordance with clause 5(6)(a) of this Order must, as soon as practicable, publish a notice on a prominent part of its website with information on the nature of the interruption or curtailment.
- (2) The licensee must when undertaking an interruption or curtailment of electricity generation in accordance with clause 5(6)(b) of this Order that the licensee anticipates will result in an applicable customer's generation being interrupted or curtailed for a cumulative total of more than 15-minutes within a 48-hour period—
 - (a) give each affected customer at least 48 hours' written notice of the test—
 - i. by the customer's nominated preferred method of communication identified under clause 11.4.1 of the Electricity Distribution Code of Practice; or
 - ii. by electronic communication (where the customer has provided contact details for electronic communication) if the customer has not nominated a preferred method of communication; or
 - (b) if the relevant model standing offer, negotiated connection contract, customer contract or agreement contains the customer's explicit informed consent to the interruption or curtailment, in accordance with the explicit informed consent specified in that contract or agreement.

- (3) A notice under subclause (2) must be in the form set out under clause 11.5.2 of the Electricity Distribution Code of Practice.

7. Ministerial Licence Conditions – Establishing customer related procedures

- (1) The licensee must prepare procedures that set out:
- (a) the process the licensee expects an applicable customer’s agent to follow (if any) to satisfy the licensee that the unit is emergency backstop enabled; and
 - (b) the process the licensee will follow where an applicable customer or their agent has not satisfied the licensee that a relevant solar microgeneration unit is emergency backstop enabled; and
 - (c) the process a licensee will follow to regularly test that relevant solar microgeneration units that were emergency backstop enabled at the time of connection remain emergency backstop enabled; and
 - (d) the process a licensee will follow to contact applicable customers if their emergency backstop enabled relevant solar microgeneration unit ceases to be emergency backstop enabled.
- (2) The licensee may amend a procedure under subclause (1) from time to time.
- (3) The licensee must publish a procedure prepared under subclause (1) or any amended procedure under subclause (2) on its website as soon as practicable after the preparation of the procedure or amending the procedure.
- (4) The licensee must notify the Commission as soon as practicable after the licensee has published a procedure or an amended procedure under subclause (3).

8. Ministerial Licence Conditions – Reporting obligations

- (1) The licensee must include, in its distribution system planning report submitted to the Commission in accordance with the Electricity Distribution Code of Practice:
- (a) details of any interruption or curtailment of electricity generation carried out under subclause 5(6)(b) of this Order; and
 - (b) the number of connections of relevant solar microgeneration units to the licensee’s distribution system that are, to the extent of the licensee’s knowledge, emergency backstop enabled; and
 - (c) the aggregate capacity in megawatts of all relevant solar microgeneration units in the licensee’s distribution system that are, to the extent of the licensee’s knowledge, emergency backstop enabled.

Date: 30 January 2024



Hon Lily D’Ambrosio MP
Minister for Energy and Resources

