



Part of Energy Queensland

16 November 2022

Ms Gillian Gout
Director, Strategic Policy and Energy Systems Innovation
Australian Energy Regulator
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Canberra ACT 2601

AERringfencing@ aer.gov.au

Dear Ms Gout

Provision of Reliability and Emergency Reserve Trader services via voltage management

Queensland's Distribution Network Service Providers (DNSPs), Energex Limited (Energex) and Ergon Energy Corporation Limited (Ergon Energy), welcome the opportunity to respond to the Australian Energy Regulator's (AER) consultation paper on whether to grant DNSPs a class waiver under its *Ring-fencing Guideline Electricity Distribution Version 3* (the Guideline), to allow them to provide Reliability and Emergency Reserve Trader (RERT) services via voltage management.

In our opinion, a class waiver from clause 4.2 of the Guideline would encourage broader participation in the RERT which, as the AER indicates, may help improve reliability and reduce RERT charges passed on to consumers through electricity bills. While we support this class waiver, we consider its limited application in providing RERT services via voltage management, may be overly restrictive and does not allow other mechanisms of RERT participation that DNSPs may have access to or develop over time. We would welcome a further discussion with the AER on such alternatives that Energex and Ergon Energy's networks see as credible options in Queensland.

Should the AER require additional information or wish to discuss any aspect of this submission, please contact either myself, on [REDACTED] or Andrew Bozin on [REDACTED]

Yours sincerely

[REDACTED]

Alena Christmas
Acting Manager Regulation

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