

6 June 2023

Mr Warwick Anderson
General Manager, Network Regulation
Australian Energy Regulator
GPO Box 3131
Canberra ACT 2601

Lodged via email to regulatorysandbox@aer.gov.au

Dear Mr Anderson

Endeavour Energy - Trial Waiver Application

Ergon Energy Corporation Limited (Ergon Energy) and Energex Limited (Energex), both distribution network service providers in Queensland, welcome the opportunity to provide comment to the Australian Energy Regulator (AER) in response to its consultation on the Endeavour Energy - Trial Waiver Application.

Ergon Energy and Energex support Endeavour Energy's application for a trial waiver from clauses 7.8.10 and 7.8.6(a) of the National Electricity Rules. Specifically, we support the trial to help inform the deployment of smart meter technology alongside existing audio frequency load control capabilities (AFLC) to support networks and at the same time enable connection of more consumer energy resources (CER).

We note the Australian Energy Market Commission is currently undertaking a review of the regulatory framework of metering services to accelerate the deployment of smart meters. Similarly, the Queensland Government recently released the Queensland Energy and Jobs Plan which has also set targets to reach 100% deployment of smart meters by 2030. We agree the learnings from Endeavour Energy's trial at Albion Park and further expansion of this trial to customers in Marsden Park, Penrith, Bawley Point, Aerotropolis and Westmead through the waiver, will help inform smart meter policy development.

In the Queensland context, Ergon Energy and Energex is maximising the use of the existing AFLC technology to support customer's flexible load options, particularly through economy tariffs. However, in areas where the AFLC network does not exist, it is our opinion that smart meters with appropriate specifications, as this trial seeks to establish, could be a complimentary flexible load management approach, providing direct benefits to CER customers and supporting avoidance of peak demand network upgrades.

However, we understand that current smart meters being deployed have limitations in comparison to existing AFLC capabilities for managing more than one flexible load such as hot water, pool pumps, air-conditioners etc. For example, it is our understanding that these smart meters are largely being deployed with a single switching circuit, which restricts flexible loads to an 'all or nothing' approach, rather than separating flexible loads to be able to be switched at different times throughout the day. We understand that some retailers have developed platforms to enable communication for load/generation

management directly with appliances. However, not all retailers have developed these platforms, and in Queensland they would need to be compliant with a distributed energy resource management system if they wish to communicate, collaborate and untap additional value by working with distribution network systems. We note that smart meters are not limited to a single switching circuit and so we welcome ongoing trials and collaborations.

In our view, distributors would greatly benefit from being able to influence smart meter specifications to ensure they meet the requirements of broader flexible load management and customer benefits, and we suggest the findings of the Endeavour Energy trial can help meaningfully inform future smart meter policy.

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

Yours sincerely

A handwritten signature in black ink on a light blue background, appearing to read 'Ben Carberry'.

Ben Carberry
Acting Manager Regulation

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