



28 July 2020

Dr Kerry Schott AO  
Independent Chair  
Energy Security Board

Via email: [info@esb.org.au](mailto:info@esb.org.au)

Dear Dr Schott

**Re: ESB Governance of DER Standards – Consultation paper**

CitiPower, Powercor and United Energy welcome the opportunity to respond to the Energy Security Board's (ESB) consultation paper on the governance of distributed energy resources (DER) technical standards.

We agree that arrangements for governance of DER technical standards are a necessary and significant step forward given the rapid and widespread uptake of DER. We support the proposed establishment of a governance committee to support effective DER standards development, implementation, compliance and enforcement.

Given the significant role that distributors will play in implementing and ensuring compliance with those standards, we encourage the ESB to have a greater number of distributors as members of the committee.

Our response to the consultation paper questions are provided overleaf.

Should you have any queries, please contact Elizabeth Carlile on 0419 878 852 or [ecarlile@powercor.com.au](mailto:ecarlile@powercor.com.au).

Yours sincerely,

Brent Cleeve  
**Head of Regulation**  
**CitiPower, Powercor and United Energy**

## Attachment A: Consultation Paper Questions

- 1. Do you support the proposal to establish a DER Standards Governance Committee under the National Electricity Rules? If not, what alternative would you suggest?**

Yes, we support the proposal to establish a DER Standards Governance Committee under the National Electricity Rules (NER).

- 2. Do you have any feedback on the proposed functions of the DER Standards Governance Committee?**

We agree with the proposed functions of the DER Standards Governance Committee.

- 3. Do you support the DER Standards Governance Committee being advisory or be determining? Please provide reasons**

Given the importance of DER technical standards and the deep expertise expected to sit on the Committee, it is our view that the DER Technical Standards Governance Committee should be more than advisory, however we would expect the Committee to have an appropriate consultative process with relevant stakeholders.

- 4. Do you have any feedback about the Committee determining standards in a subsidiary instrument under the rules?**

We agree that the DER technical standards should be placed in a subsidiary instrument under the NER. We propose all references to technical standards in the NER to be removed and placed under the subsidiary instrument under the NER.

- 5. Do you have any feedback on the development of new compliance and enforcement arrangements for DER technical standards?**

We suggest there be a specified commencement date for the DER technical standards and a grace period (e.g. six month after the standard is published) be granted before the standard applies.

In addition, if the intention is to work with the bodies currently charged with the training, certification and licensing of DER (e.g. Energy Safe Victoria, Clean Energy Council) we consider the Committee should have governance on the roles and responsibilities of these bodies with respect to DER.

- 6. Do you support the proposed composition of the membership and nature of chair of the Committee? Please provide reasons or nominate alternative arrangements.**

While we acknowledge the Committee aims to work collaboratively and on a consensus basis for decision-making, we believe distributors should have more of a presence on the Committee given the role they will play with responding to increased DER penetration. We believe greater representation is required from the distribution sector to also reflect the differing levels of maturity of distribution networks to accommodate DER and secondly, decisions made by this Committee will potentially have significant cost consequences for users of DER or the wider customer base of distributors. While the Committee has strong DER user representation, this is not the case for the broader distribution customer base.

It is also our view that only one representative from Standards Australia may not be adequate. We would suggest the number of representatives from Standards Australia to be decided based on the quantity of standards considered.

- 7. Do you support the proposed terms and selection arrangements? Please provide reasons.**

We support the proposed process through a nomination and merit-based selection process however we would encourage the ESB to further consider fair representation of industry participants.

- 8. Do you have any feedback on the other elements of the proposed operation of the Committee?**

No comments.