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Dear Tom

Western Power response to the Procedure Change Proposal AEPC_2022_02: Proposed Amendments to the WEM DER Register Information Procedure

Thank you for the opportunity to provide feedback on the Procedure Change Proposal AEPC_2022_02 that proposes amendments to the DER Register Information WEM Procedure.

Western Power is committed to the delivery of the Western Australian State Government's Energy Transformation Strategy, including implementation of the Distributed Energy Resources (DER) Roadmap, and continuing to collaborate with EPWA, AEMO and other energy industry participants in the process.

Western Power recognises the importance of orchestrated DER and the role that it will play in the SWIS (specifically in providing services to Western Power as well as the Wholesale Energy Market) in enabling a grid that delivers high levels of renewable energy, whilst maintaining safety and security of supply and maximising value to our community.

Western Power supports the practical and efficient collection of DER information to achieve optimal outcomes for WA. On principle, Western Power supports the collection of information about new sources of DER such as electric vehicles (EV) and the supporting charging infrastructure, noting this information will be critical to operating the network and the power system safely and securely. However Western Power notes that discussions are still ongoing between EPWA, AEMO and Western Power on the appropriate mechanisms to collect and report such data.

Western Power outlines the following high-level concerns with the proposed amendments and seeks an opportunity to continue engaging with AEMO and EPWA to resolve these and other related matters:

- As currently worded, the proposed amendments may potentially be *ultra vires* the relevant WEM Rules (i.e., creating obligations beyond the powers assigned under the WEM Rules). For example, DER Generation information is defined under the WEM Rules as standing data in relation to a Small Generating Unit or Storage Works of export capacity of less than 5 MW. Most existing EV charging equipment generally registers as a load, i.e., consuming



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from the grid, with potentially no capability to export power into the grid. As such, even though an EV may theoretically qualify as storage works, in a practical sense it is not generating or exporting into the grid. Western Power therefore considers that either an expansion of the WEM Rules definition of **DER Generation Information** or alternatively a new definition for DER load information is required to enable the WEM Procedure to set out obligations for network operators to collect information for EVs and EV charging infrastructure that does not neatly fit into the definition of DER Generation Information.

- Additionally, from a practical perspective, the proposed amendments may create unintended consequences where entities may receive obligations that they are unable to discharge due to the current state of the regulatory framework. For example, information about behind-the-meter load (such as EV) is not required to be collected by Western Power. The existing regulatory framework requires electrical contractors to provide electrical installation details via a Notice of Completion to Building and Energy (B&E). There is no existing requirement to collect or report additional data on EV charging infrastructure to B&E. As Western Power relies on DER data provided by B&E, the absence of EV and charging infrastructure data from the source point of installation will limit Western Power's ability to discharge obligations related to transferring EV data or attesting its accuracy and completeness.
- Western Power also considers that the purpose and potential usage of the proposed mandatory data items should be further articulated in the context of the roles and responsibilities set out by EPWA's July 2022 policy paper on DER: Roles & Responsibilities¹. Western Power considers further engagement and clarity is needed to define data items that are fit-for-purpose to enable the relevant entities to discharge their functions as defined by the policy framework. Without clarity on the purpose and usage of the data, there is a risk that scarce resources will be utilised in building systems and processes with yet-to-be-defined outcomes and benefits. Western Power seeks further clarity on how the mandatory data items will be used by AEMO so that we may be able to provide practical and efficient support.

Western Power remains committed to working with AEMO and EPWA on these matters over the coming months as part of Phase 2 of the DER Orchestration Roles and Responsibilities workshops led by EPWA.

If you would like to discuss any aspect of our response, please feel free to contact Aditi Varma or myself.

Yours sincerely

Zahra Jabiri

Head of Regulation and Investment Assurance

¹ Available at: <https://www.wa.gov.au/system/files/2022-07/DER%20Orchestration%20Roles%20and%20Responsibilities%20information%20Paper.pdf>