

# CEC SUBMISSION TO THE SA GOVT CONSULTATION ON DEMAND RESPONSE CAPABILITIES

---

## Executive Summary

The Clean Energy Council (CEC) welcomes the opportunity to provide feedback on the Government of South Australia (SA) Department for Energy and Mining (DEM) consultation on proposed demand response capabilities for selected appliances in South Australia.

The Clean Energy Council is the peak body for the clean energy industry in Australia. We represent and work with Australia's leading renewable energy and energy storage businesses, as well as rooftop solar installers, to further the development of clean energy in Australia. We are committed to accelerating the transformation of Australia's energy system to one that is smarter and cleaner.

While we have concerns with the proposed approach, the CEC supports moves toward better market integration of customers' energy resources, such as market-responsive load, energy storage and electric vehicles (EVs).

The SA Government proposal to mandate demand response capability is confusing because there is no explanation of how this is intended to integrate with other proposals proposed by the SA Government.

Mandating standards for a small market like SA could limit the choices of products available to South Australians. SA is not such a significant market that it can expect to drive the technology of global manufacturers. This is particularly so if the SA Government selects standards that are already considered outdated.

The SA Government should completely rethink this proposal and should align it with other work based on up to date, international standards.

We would be very happy to discuss these issues in further detail. We look forward to contributing further to this important area of strategy and program development.

---

## Relationship to other policies

The proposal is confusing because it does not explain how it is supposed to integrate with other policies. South Australia has generated many novel and unique policies for distributed energy recently, such as the 1 July 2021 deadline for commencement of Dynamic Operating Envelopes based on IEEE 2030.5, the proposal by SA Power Networks for export charges and the requirement to appoint a 'Relevant Agent'. The proposal to require demand response capability using AS/NZS 4755 seems to be a retrograde step and a distraction from more advanced approaches to enable interoperability.

---

## Risks of mandating special standards for SA

South Australia is not a large market. Markets like California and Germany are large enough that their regulations change what global manufacturers do. SA is not in that league and global manufacturers are unlikely to make significant changes to access a small market. This is particularly so if SA chooses an outdated standard that is not used anywhere apart from Australia (and AS 4755 has barely been used here, other than in some very limited trials).

State-specific rules and standards add compliance work and costs to consumers and risk disincentivising the uptake of new appliances, such as EVs.

---

## Why AS 4755?

The proposal is puzzling has not been adequately explained. AS/NZS 4755 would seem to be an odd choice. It is designed to assist with reducing peak demand and will not help to address minimum demand. It will not assist with time-shifting EV charging to the middle of the day. It is a control-based standard that is incompatible with development of price-responsive DER. It will be outdated by 1 July 2026, when it is proposed to become mandatory for EV chargers. Many would argue it is already well and truly outdated. There are significant risks associated with mandating a new version of an old standard prior to the release of the final version.

There are many better international standards that could be used. The Office of the Technical Regulator (OTR) is working on the use of the IEEE 2030.5 protocol in SA to implement Dynamic Operating Envelopes by 1 July 2021. The Open Charge Point Protocol (OCPP) is used internationally for coordination of EV chargers and could also be adopted for Australia.

The CEC strongly recommends that the SA Government allow industry an opportunity to consider international best practice and propose an approach that utilises international standards wherever possible to enable price-responsive customer energy resources.