7 August 2020

Ms Jenny Gannon

Project Manager

Governance of DER Technical Standards

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

Dear Sir/Madam

**CESA comments on Response to the Energy Security Board Distributed Energy Resources Technical Standards Consultation Paper**

The Consumer Electronics Suppliers Association (CESA) welcomes the opportunity to make a submission on the above Discussion Paper.

CESA is the industry body in Australia representing the consumer electronics, air conditioning and refrigeration industries. Our members encompass the majority of global suppliers of these products and thus, are key stakeholder of Standards Australia.

General Comment

1. We do wish to state our concern at the rushed nature and short time line for comments. It implies an intent to limit discussion on this important topic.
2. CESA members have made a substantial contribution to Standards Australia over many decades as nominating organisations and representatives on over forty Standards Australia committees.

Standards Australia is the only body that can deliver the unbiased standards outcome.

**To Answer the Specific Questions.**

Q1. Do you support the proposal to establish a DER Standards Governance Committee under the National Electricity Rules? If not, what alternative would you suggest?

A conditional Yes, however the current proposed structure is not a balanced representative of whole society.

It will not deliver cost effective solutions to consumers; it will just give AEMO a mechanism to limit peak demand to allay its failure in forward planning in demand response.

Q2. Do you have any feedback on the proposed functions of the DER Standards Governance Committee?

The DER should be advisory and should only specify the outcome required of the standard and use Standards Australia to develop the standards.

We need to adopt International Standards as a 1st priority, and only deviate technically when justifiable, Standards Australia has the structure to accomplish this.

Q3. Do you support the DER Standards Governance Committee being advisory or be determining? Please provide reasons.

The DER should be advisory.

Q4. Do you have any feedback about the Committee determining standards in a subsidiary instrument under the rules?

The only standards that the committee can determine are Standards published by Standards Australia, which have been through the rigorous Standards Australia process.

Standards do take time to create, then adoption and implementation into products and subsequently then into the community, can take years.

With respect to products, Australia is an importer of electrical products. Products need to comply with International Standards and have minimum Australian National deviations. Placing too many restraints on product’s requirements will lead to international suppliers deciding it’s not worth the effort of modifying a product for such a small market as Australia

In addition, the installed base of equipment will takes decades to be updated.

Q5. Do you have any feedback on the development of new compliance and enforcement arrangements for DER technical standards?

Based on the current installed base of equipment, even with new standards issued and future products complying, this proposal cannot ensure that the proposed outcome of controlling demand can be achieved.

Consumers have purchased solar systems to save money, including exporting surplus electricity, they will not accept “the Government”’ switching them off. Intelligent metering with bi-directional data transfer coupled with retailer incentives to participate in a scheme will be the fastest method to obtain a direct effect on demand.

Using monitory controls will bring industry and consumers willingly to participate and will therefore not need an enforcement arrangement. Any such enforcement is doomed to fail based on the historical lack of resources and is not cost effective.

**Our Recommendation.**

Forgo all the above, it is too costly and will not deliver effective result in the timeframe desired.

The answer to delivering a quick and effective outcome is to use bi-directional intelligent metering coupled with market incentives, driven by retailers competing in the marketplace to encourage consumers to willing participate.

CESA looks forward to further consultation with the COAG Energy Council on the Discussion Paper and is happy to clarify any of the comments above.

Yours sincerely



Ian McAlister

Chief Executive Officer