

To EPWA-Submissions@deed.wa.gov.au

Subject Consultation Paper on ESM Rules for DER – Roles and Technical Requirements

Date 12 November 2025

Good Afternoon

Thank you for the opportunity to provide feedback on the Tranche 9 Distributed Energy Resources (DER) consultation paper. As an energy retailer actively engaged in DER integration, we welcome these proposals as an important step toward creating a smarter, more flexible energy system for Western Australia. We appreciate the collaborative approach and offer the following comments on the key areas of consultation.

Designation of Western Power as the Distribution System Operator (DSO)

We support the proposal to designate Western Power as the DSO for its distribution networks. This is a logical and necessary step to manage the growing complexity of high DER penetration and to enable better integration of rooftop solar, batteries, and electric vehicles. Establishing Western Power as the DSO provides clarity on roles and responsibilities and sets a strong foundation for future DER coordination.

We note, however, that Western Power's costs, which are passed through to electricity customers, are approved to increase at substantially more than CPI through the current Access Arrangement period. This is a significant impost on customers, and we would not want to see further tariff rises to fund a DSO.

Our other concern is that Western Power has struggled to implement processes to connect customers, both loads and generators, at both transmission and distribution levels, in a timely manner. We note that the DSO is only being given one function in this tranche of rules but, as other roles are assigned, we would want to see mechanisms in place to require the DSO to set, and achieve, high performance standards.

Introduction of Minimum Technical Standards for DER

We agree that minimum technical standards are essential to ensure safe and reliable operation of DER and to enable participation in future services. The proposal for Western Power to publish a WEM Procedure for systems under 30 kVA aligns with national standards such as AS/NZS 4777.2:2020 and codifies export limits and remote disconnection capability.

However, we note that the proposed model, where Western Power sets technical rules and retailers manage compliance, may create operational challenges. Retailers will likely require near real-time access to meter data to monitor export limits effectively, as inverter data alone may not provide sufficient visibility. This could complicate customer switching and increase complexity for retailers.

While the immediate impact may be limited given Synergy's dominance in small systems, future phases involving larger systems will require careful consideration to ensure retailers can fulfill their obligations efficiently.

Aggregation of Non-Contestable Customers

We acknowledge the rationale for appointing Synergy as the parent aggregator for non-contestable customers to maintain system coordination and consumer protection. This approach provides a clear structure for DER participation and safeguards customers. However, allowing Synergy to compete within the Third Party Aggregator framework raises potential concerns around competitiveness. Strong ring-fencing measures will be essential to prevent any unintended anti-competitive outcomes. Overall, this model makes sense for the initial phase, but transparency and fairness will be critical as the framework evolves.

Third Party Aggregator (TPA) Framework

We support the creation of a transparent framework for TPAs to engage with Synergy and provide services using non-contestable customers' DER. Clear contractual arrangements and published participation guidelines will foster innovation and consumer choice while maintaining system integrity. This is an important step toward enabling new value streams and supporting WA's DER integration strategy.

General Observations

The proposed changes represent a positive evolution for WA's energy market. They will enable larger and more flexible DER installations, improve system reliability, and create opportunities for consumers to participate in emerging services such as virtual power plants. We encourage continued engagement with industry stakeholders to ensure implementation challenges—particularly around data access, compliance monitoring, and competitive neutrality—are addressed effectively. These measures will help achieve the State Electricity Objective by balancing price, reliability, and environmental outcomes.

We appreciate the opportunity to contribute to this consultation and support the direction outlined in Tranche 9. We look forward to ongoing collaboration to ensure these reforms deliver practical, equitable, and innovative outcomes for consumers and market participants. Please do not hesitate to contact us should further discussion be helpful.

Should you have any questions please do not hesitate to contact me at p.peake@perthenergy.com.au or on 0437 209 972. This submission may be made public.

Kind regards

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I am based in the Perth Office and work Tuesday, Wednesday and Thursday