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Energy Policy WA
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EPWA CONSULTATION: ELECTRICITY SYSTEM AND MARKET RULES FOR DISTRIBUTED ENERGY RESOURCES – ROLES AND TECHNICAL REQUIREMENTS

Synergy welcomes the opportunity to provide feedback on Energy Policy WA's (**EPWA's**) *Electricity System and Market Rules for Distributed Energy Resources – Roles and Technical Requirements (Draft DER Rules)* and *Consultation Paper* of the same title released for public comment on 24 October 2025.

Synergy is generally supportive of the proposed amendments within the Draft DER Rules which establish Synergy as the Parent Aggregator and Western Power as the Distribution System Operator (**DSO**). These roles and the associated development of documents prescribed in the Draft DER Rules provide the clarity and guidance required by Industry to move towards the integration of Distributed Energy Resources (**DER**) in the network.

However, Synergy has two key concerns regarding the Draft DER Rules:

1. Proposed 1 February 2026 commencement date for the role of the Parent Aggregator and subsequent publishing of the Third Party Aggregator (**TPA**) Framework (**TPA Framework**).
2. Timing of the implementation requirements for a Small Facility and consequently the Distribution System Operators WEM Procedure for all new DER connections (**WEM Procedure for Small Facilities**).

The TPA Framework depends on several variables which are likely to remain unknown prior to the proposed publishing date. This impacts the level of detail that Synergy could include in a draft and its ability to deliver on proposed requirements of the TPA Framework. Synergy will thus be unable to produce a TPA Framework for 1 February 2026 and accordingly does not want to be placed in a position whereby Synergy is non-compliant with the Electricity System Market Rules (**ESM Rules**) from that date.

Synergy has the additional, consequential, concern with the current ESM Rules drafting that combines rule changes that cover TPAs and all new DER connections. Synergy expects this will lead to confusion over the impacts on two separate parts of industry, the TPAs and the solar retailers and installers.

Synergy provides further detail below on its key concerns associated with the proposed timeline and ESM Rules regulatory design.

1 KEY RISKS ASSOCIATED WITH THE PROPOSED PUBLISHING DATE

Synergy understands the purpose of the Draft DER Rules is to facilitate the continued integration of DER into the electricity system to better manage the increasing challenges in operating this system in a safe and reliable manner. However, there are a number of risks raised by the proposed implementation date of 1 February 2026 for the TPA Framework and WEM Procedure for Small Facilities.

1.1. WEM Procedure Dependency

Under clause 2.34C.5(b) of the Draft DER Rules, the TPA Framework must outline the minimum technical requirements that a TPA must meet as a condition of providing services to (and through) Synergy. Synergy considers it is unable to adequately outline these requirements without first having clarity on the details of the new WEM Procedure for Small Facilities under draft clause 3.25.2 that is currently proposed to be published by Western Power on 1 February 2026¹. The new Western Power WEM Procedure for Small Facilities will outline various technical requirements and associated compliance obligations for retailers operating under the new framework which Synergy, as the Parent Aggregator, will be liable for and consequently will need to pass on these technical requirements to third parties via contractual arrangements.

Without certainty on what obligations and requirements Western Power will be imposing under its WEM Procedure for Small Facilities, Synergy is currently unable to include these within its TPA Framework. Synergy considers that it would be inappropriate to publish a draft TPA Framework for public consultation prior to the finalisation of Western Power's WEM Procedure due to the uncertainty of the compliance obligations that should be included, prohibiting Synergy from publishing an effective TPA Framework on 1 February 2026. Further, upon publication of the WEM Procedure for Small Facilities, Synergy will need to review all its relevant DER collateral (including contracts, technical specifications, customer and industry stakeholder communications) to determine whether amendments are required. The required reviews will not be complete by 1 February 2026.

1.2. Industry Readiness

EPWA's Interoperability Statement has set long-term Industry expectations regarding changes to the installation and commissioning process for residential DER. The Consultation Paper associated to the proposed drafting of rule changes also sets out the intention and impacts that the new requirements will have on solar retailers and installers.

Synergy understands that these changes will enable remote visibility and control of DER and is seeking to achieve standardisation of remote communication for residential DER by requiring CSIP-AUS as the method of communication for all new and upgraded DER. As such any inverter or gateway manufacturer (Technology Provider (**TP**)) that does not utilise CSIP-AUS would be unable to meet the requirement and could be prohibited from participation in the market.

Should the drafted timeline be legislated, Industry will have inadequate time to prepare their businesses for the proposed changes by 1 February 2026. It is probable that solar retailers are currently selling systems that do not meet the proposed requirements with installations scheduled after 1 February 2026. Without clear warning, time to install previously sold systems and time to sell non-compliant stock, retailers may be left with dead stock that can no longer be installed in the SWIS. A material number of equipment retailers and installers have so far not participated in the WA Residential Battery Scheme, and as a result have not registered with Synergy, completed the installer training module, and become familiar with the DER Functionality Requirements. Without adequate time to communicate these key requirements to retailers and installers, with training and upskilling to occur, the likelihood of significant compliance issues and impacts on these businesses is high. These impacts could be mitigated by providing industry with sufficient periods of consultation and education.

Driven by the requirements of the WA Residential Battery Scheme, Synergy has successfully onboarded 17 TPs over the last six months, with 25 others currently in the pipeline. This leaves approximately 20 TPs that Synergy is aware of, based on the Clean Energy Council's

¹ Refer <https://www.wa.gov.au/system/files/2025-10/exposure-draft-tranche9-der.pdf>

approved inverter list², that may wish to sell in the Western Australian market and are still to apply for listing with Synergy. While Synergy has streamlined the onboarding process for TPs, the process can take time as it includes the testing of communication and control pathways to ensure reliability, in addition to entering into a standard Technology Provider agreement, which may require multiple legal reviews and amendments. The current testing process conducted by Synergy is manual as it works towards the national harmonisation of CSIP-AUS testing, a transition that will go live on 1 July 2026. Synergy continues to improve the efficiency of this process, however if it were to continue onboarding TPs at the current rate, there could still be as many as 35 TPs that would not have completed the Synergy onboarding process by 1 February 2026. This would prohibit those TPs selling products in the South West Interconnected System (**SWIS**) until they complete the onboarding process. Should 1 February 2026 be maintained as a start date for these changes, EPWA may need to consider grace periods for TPs that have not had sufficient time to prepare their organisations for these changes.

2 PROPOSED TIMEFRAME

Synergy proposes the required TPA framework publication date is changed from 1 February 2026 to 1 June 2026 to better align with established Project Jupiter timelines and allow for the complete development of the framework prior to go-live. In the section below, Synergy explains how its revised date provides mitigants to the key risks outlined above and the process involved in developing the TPA Framework.

2.1. Risk Mitigants

2.1.1. WEM Procedure for Small Facilities Dependency

With material elements of the TPA Framework dependent on the Western Power WEM Procedure for Small Facilities being developed and published, delaying the publishing date of the TPA Framework allows for certainty on the requirements for both Synergy and Industry. This also removes the current overlap (as per the Draft DER Rules) in the public consultation periods for Western Power's WEM Procedure and Synergy's TPA Framework. This would provide Industry and the public with an increased opportunity to holistically consider and provide their feedback for both instruments. In relation to the TPA Framework, Synergy would have clarity on the relevant compliance obligations and could include provisions that allow for the transfer of such obligations to aggregators.

With regards to the impacts of the proposed changes for all new DER connections, decoupling the Small Facility Class requirements from the TPA Framework related rule changes would provide the solar retailer and installer industry better visibility of the obligations of the new Western Power WEM Procedure. Synergy proposes an implementation date of 1 May 2026, providing Industry with a three month grace period from the Western Power WEM Procedure for Small Facilities publishing date of 1 February 2026.

2.1.2. Industry Readiness

2.1.2.1. Solar Retailers and Installers

As demonstrated by Victoria's roll out of the emergency backstop measure and as learnt through the Western Australian State Government's battery rebate scheme, it is critical to allow solar retailers and installers sufficient time to understand the changes and prepare their business and workforces for the impacts. Synergy would expect a minimum three-month window to allow retailers and installers to understand the gazetted rules, sell existing stock, install pre-sold systems, order new stock and learn how to follow new registration and commissioning processes. Synergy would suggest that a minimum three-month window be

² https://cleanenergycouncil.org.au/getmedia/4bb1033a-e903-4dd7-a30c-5de488de1b97/cec_rooftop-solar-and-storage-report_jan_june2025.pdf

allowed from the WEM procedure being published to when it becomes effective, indicatively 1 May 2026. To avoid confusion of installation requirements per household, as seen in Victoria, Synergy would recommend that when changes come into effect, they come into effect for the date of installation and not date of application.

Additionally, it is vital that Synergy is provided sufficient time to understand the impacts of the drafting of gazetted rules and published Western Power WEM Procedure for Small Facilities. Synergy must ensure that it has the necessary contractual arrangements, processes and staff to effectively deliver on any obligations passed to it as an organisation as well as establishing operational controls to evidence compliance with ESM Rule requirements. Furthermore implications of the rule changes on the current requirements of the WA Residential Battery Scheme need to be considered.

2.1.2.2. Technology Providers

Grace and exemption periods should be considered to ensure that currently unregistered TPs have sufficient time to move through Synergy's onboarding process without being precluded from selling equipment in the SWIS.

2.2. TPA Framework Development

Synergy has commenced the development of the TPA Framework in line with the Project Jupiter time frames of December 2026, establishing the high-level design structure of the flow of information from TPAs through Synergy to Western Power and AEMO. Synergy has considered potential avenues to mitigate any potential competition law risk, including establishing ring-fencing protocols and increasing transparency in the process. The process to develop and implement the TPA Framework can be broken down into three categories – people, process and systems. The activities of each are defined below.

2.2.1. People and Capability

Through the development and implementation of the TPA Framework, Synergy will need to prepare for the following activities to address the people and capability component:

- Call centre script development and training in relation to DER related queries.
- Update the Synergy website to provide TPAs and customers with a single source of truth.
- Potential requirement for the recruitment and training of new personnel to facilitate the obligations on Synergy as the Parent Aggregator.
- Potential restructuring of roles and business units to comply with ringfencing obligations.

2.2.2. Process

The TPA Framework will require the establishment of the processes listed below:

- Potential procurement of external resources, through a competitive process, to support Synergy's development of the TPA Framework.
- Establish and implement an internal Synergy Compliance Framework document.
- Synergy DER SteerCo review and endorsement of the TPA Framework.
- Potential Board engagement and endorsement of the TPA Framework
- Customer contracts, terms and communications review and amendment, where required.
- Synergy to establish and implement internal segregation or ringfencing arrangements.
- Establish a new independent procurement process which would assess TPA applicants to ensure they meet all necessary requirements.

2.2.3. Systems

The TPA Framework will require several systems to be developed and functional to facilitate Synergy's role as Parent Aggregator and the pass through of instructions where necessary. The systems required are listed below:

- Specify, develop and implement the technical integrations with TPAs.
- Establishment of B2B processes between Synergy, Western Power and Retailers for pass through of data to TPAs.

2.3. WEM Procedure Implementation

Similar to the TPA Framework development, there is a need to consider the People, Process and Systems impacts of having all new DER complying with the requirements for the new Small Facility class as outlined in the Draft DER Rules.

2.3.1. People and Capability

Through the development and implementation of the changes to the installation and commissioning processes, Synergy will need to prepare from the people and capability aspect through the following activities:

- Call centre script development and training in relation to DER related queries.
- Ensure the appropriate Synergy Business Units are positioned and resourced to onboard the remaining TPs within the proposed timeframe.
- Update the Synergy website to provide solar retailers and installers, and customers with a single source of truth.
- Potential requirement for the recruitment and training of new personnel to facilitate the obligations passed on to Synergy via the WEM Procedure.

2.3.2. Process

The impacts of the establishment of a Small Facility class will require the creation of the processes listed below:

- Synergy communicating with Industry to ensure they have the required equipment to meet the new requirements.
- Onboarding of TPs.
- Updating the technical procedures and Functionality Requirements with new requirements that have resulted from the Draft DER Rules and new Western Power WEM Procedure.
- Establish and implement an internal Synergy Compliance Framework document.
- Potential Board engagement and endorsement
- Review of the impacts of the rule changes on customer contracts, terms and communications review and amendment, where required.

2.3.3. Systems

For all new DER for non-contestable customers to connect to Synergy's servers via CSIP-AUS there are a number of systems that will be required to be updated or developed. The systems required are listed below:

- Onboarding solar inverters to Synergy's Supported Solutions List, testing of solar management and Emergency Solar Management.
- Updating the Installer Test Tool to improve user experience and allow for Multi-End-Devices.
- Update to Synergy's DER Dispatch Engine (**SynDE**) to allow for Multi-End-Devices.
- Testing and improving of SynDE functionality.

- Business to Business (**B2B**) process with Western Power to receive the correct data when connecting new devices.
- Establishment of B2B processes between Synergy, Western Power and retailers.

As indicated in the timeline and steps above, completion by 1 February 2026 is not feasible.

3 SUMMARY

In summary, Synergy supports ESM Rule changes that facilitate all new DER to be connected, visible and, where customers opt in, able to provide network and market support services in a scalable and efficient manner. Synergy does not support the proposed publishing date of 1 February 2026 in relation to the TPA Framework. Synergy requests that EPWA consider extending the date to 1 June 2026 in view of the key risks identified and the mitigants that can be implemented through a delayed date.

Synergy requests that careful consideration is made on the date that the requirements for the Small Facility class come into effect, including feedback from solar retailers and installers. This is essential to ensure that these changes support Industry and do not negatively impact their ability to trade. Synergy would consider that a minimum three-month grace period from the publishing of requirements to the changes coming into effect would be required, resulting in a recommended date of 1 May 2026. Synergy would also suggest decoupling the timelines effecting TPAs and solar retailers and installers to avoid confusion and misunderstanding.

Synergy thanks EPWA for its work to date on WEM reform programs and looks forward to EPWA's continued consultation on market reform matters.

Yours sincerely

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