

16 November 2022

Ms Gillian Gout  
Director, Strategic Policy and Energy Systems Innovation  
Australian Energy Regulator

Via email: [AERringfencing@aer.gov.au](mailto:AERringfencing@aer.gov.au)

Dear Gillian

**Re: Ring-fencing class waiver – RERT via voltage management**

CitiPower, Powercor and United Energy welcome the opportunity to respond to the Australian Energy Regulator's (AER) ring-fencing class waiver initiation notice for Reliability and Emergency Reserve Trader (RERT) services via voltage management.

We are supportive of the AER's proposed class waiver, which will enable distributors to provide RERT services via voltage management.

However, we are concerned that:

- by limiting the ability of distributors to provide RERT services via voltage management only the waiver is too narrow in scope; and
- the waiver length is too short.

**RERT services should be able to be provided by distributors using any means available**

We are concerned the narrow scope of the class waiver for RERT services may mean the Australian Energy Market Operator (AEMO) will not have access to all RERT providers. That is, the ring-fencing class waiver may not deliver the intended outcome of distributors participating in the RERT scheme to avoid blackouts for customers.

Distributors may not wish to use voltage management to deliver RERT services. Customers in a zone substation have a spread of voltages, and by lowering the voltages on the network to deliver RERT services, it may result in some customers being pushed below the bottom of the compliance range specified in jurisdictional obligations for steady-state voltages. This may decrease the customer experience and raise voltage compliance concerns for the distributor. It is noted distributors are already lowering network voltages to enable greater solar exports.

To ensure the delivery of the intended outcome, which is increased availability of RERT services, we consider the waiver should allow for distributors should be able to provide RERT services via any means at their disposal such as by:

- moving and connecting portable diesel generators to a location for summer purely for the purpose of RERT
- utilising behind the meter storage not currently part of a Virtual Power Plant (VPP).
- shutting down industrial processes in response to a RERT call to reduce demand.

**The waiver length should be increased**

We believe that waiver length should be increased to a period of 10 years. This is consistent with the reliability gaps over the next 10 years that AEMO has forecasted.

Should you have any queries please do not hesitate to contact Trent Gibson on [REDACTED] or [REDACTED]

Yours sincerely,

[REDACTED]

Brent Cleeve  
Head of Regulatory Policy and Compliance  
**CitiPower, Powercor and United Energy**