12 November 2026

Ms Stephanie Jolly
Executive General Manager Consumers, Policy and Markets
Australian Energy Regulator
GPO Box 3131
Canberra ACT 2601

Email: regulatorysandbox@aer.gov.au

Dear Ms Jolly,

Essential Energy islandable microgrids sandbox trial waiver application (5143235)

Energy Queensland Limited (Energy Queensland) welcomes the opportunity to provide comment to the Australian Energy Regulator (AER) in response to the *Consultation Notice – Essential Energy islandable microgrids sandbox trial waiver application.*

This submission is provided by Energy Queensland on behalf of its related entities, Energex Limited and Ergon Energy Corporation Limited, in their capacity as distribution network service providers (DNSPs) operating in Queensland, and is available for publication.

Energy Queensland supports Essential Energy's application under the Energy Innovation Toolkit, noting that the proposed trial waivers seek to explore operating models for which existing regulatory requirements may create barriers to implementation. In these circumstances, regulatory sandboxing is an appropriate mechanism.

In our view, the proposed trial may provide valuable insights for DNSPs across the National Electricity Market. The trial can improve understanding the role islandable microgrids can play in improving network reliability and resilience under different models and operating conditions. Insights from the trial may also inform future network planning and investment decisions, by helping to understand the circumstances where islandable microgrids may represent an effective alternative to traditional network solutions.

Energy Queensland also notes Essential Energy's proposed monitoring, reporting and transparency measures, including knowledge sharing arrangements associated with Australian Renewable Energy Agency (ARENA) funding for the relevant microgrid projects. These measures should help maximise the broader value of the trial by facilitating the dissemination of insights and supporting industry-wide consideration of the trial's findings.

For these reasons, Energy Queensland supports the AER granting the trial waivers sought by Essential Energy.

Should the AER require additional information or wish to discuss any aspect of this submission, please contact me or Andrew Bozin on [redacted].

Yours sincerely

[redacted]

Alena Chrismas
Manager Regulatory Affairs

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Email: [redacted]