The Key Recommendations

AEMO’s recommendations for generation licence conditions are proposed for all generation technologies greater than 5MW. They form part of a complementary package of regulatory reforms underway in Australia and will allow power system security to be maintained as the generation mix changes to a low emission future. These recommendations are designed to provide additional system support at the lowest cost to Australian consumers.

**Generator Performance during and after contingency events**

The ability of generators to maintain continuous, uninterrupted operation during and following power system faults is essential. There needs to be greater clarification of what is required/expected from all electricity generators to ride through system faults.

**System Strength**

A base level of power system strength is required to maintain a secure, stable grid. AEMO is recommending licence conditions on generators that will improve system performance under low system strength conditions and reduce costs to consumers in the long term. The recommendations are designed to complement the system strength Rule change currently under consideration by the AEMC.

**‘Active’ Power Control Capability**

Maintaining a consistent frequency within the power system is fundamental to its secure operation. AEMO recommends all new entrants into the generation fleet should be set up with the capability to provide controlled ‘active’ power (i.e. a controlled, usable increase or decrease in energy output) to the grid when required. These capabilities would then be available to AEMO if required in times of emergency.