TasNetworks
Delivering your power

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Nino Ficca
Interim Chief Executive Officer
Australian Energy Market Operator

Via email to wdr@aemo.com.au

Dear Mr Ficca

RE Wholesale demand response guidelines

TasNetworks welcomes the opportunity to respond to the Australian Energy Market Operator's (**AEMO's**) consultation on the development of the Wholesale Demand Response (**WDR**) Guidelines.

TasNetworks is the Transmission Network Service Provider (**TNSP**), Distribution Network Service Provider (**DNSP**) and Jurisdictional Planner in Tasmania. TasNetworks is also the proponent for Marinus Link, a new interconnector between Tasmania and Victoria. The focus in all of these roles is to deliver safe, secure and reliable electricity network services to Tasmanian and National Electricity Market (**NEM**) customers at the lowest sustainable prices. As a consequence, TasNetworks is committed to ensuring the WDR framework delivers sustainable benefits to the broader customer base.

TasNetworks support Energy Networks Australia's (ENA's) submission and provides the following comments to reinforce that submission.

TasNetworks supports the involvement of DNSPs in the endorsement process for aggregation of Wholesale Demand Response Units (**WDRU**). The obligation to ensure network security and reliability sits with the DNSP as thus the ability to understand any potential demand response and its potentially synchronised restoration is critical. TasNetworks supports Option 1 as the preferred mode for the assessment of a proposed WDRU aggregation by a DNSP.

More detailed answers to the specific questions raised in the consultation paper are provided in the attachment.

Should you have any questions, please contact Tim Astley, Network Reform and Regulatory Compliance Team Leader, via email (tim.astley@tasnetworks.com.au) or by phone on (03) 6271 6151.

Yours sincerely

Chantal Hopwood

Leader Regulation

Questions for DNSPs

• Question 4.1: Under what circumstances do DNSPs consider that an aggregation of WDRUs would need to be rejected due to security risks in distribution networks, given that risks could equally arise from the synchronised action of multiple WDR DUIDs?

While not all risks can be removed if there is a way to mitigate known risks they should be done. Being able to manage the amount of WDR on a specific feeder and tailor it for the typical operational behaviour of that feeder is critical. This includes the ability to understand the cold-load pickup characteristics of any WDR not just the coordinated reduction in demand on a feeder.

• Question 4.2: Aside from the endorsement/rejection of a proposed aggregation of WDRUs, and advice of any restrictions that must be imposed on the aggregation in central dispatch, what further outputs would be provided from a DNSP's assessment of a proposed aggregation?

The DNSP should be able to provide operational caveats. This could be limits on the size of the load dispatched when flows are above certain limits. There needs to be room available for cold load pickup. While the synchronised reduction in load can have voltage and security impacts on a network so does the synchronised reconnection of load; and in some circumstances, this cold load pickup, can have more significant impacts than the initial load reduction.

• Question 4.3: Do DNSPs consider that they could commit to providing a DNSP Endorsement (or rejecting a request) within a specific period of time? If so, what do DNSPs consider to be a reasonable timeframe?

TasNetworks submits it could commit to responding to most applications within 20 business days, noting that a DNSP should be able to negotiate longer timeframes should a particularly complex proposal be provided.

• Question 4.4: How do DNSPs consider that they could provide transparency around their assessment of proposed WDRU aggregations?

TasNetworks is comfortable that the details of its assessment are made available to legitimate industry participants; like the specific demand response service provider (**DRSP**), AEMO and AER. There are security concerns about publishing our assessment more broadly due to the potential it may indicate areas of weakness in our network.

• Question 4.5: Do DNSPs consider that the proposed threshold of an aggregate NMI-Level MRC of 5 MW or greater is appropriate for requiring a DNSP Endorsement? If not, please provide justification for an alternative threshold.

TasNetworks is supportive of the 5 MW threshold.