

21 March 2023

Primary Frequency Response Requirements Review
AEMO

Submitted by email to: pfr@aemo.com.au

Dear Sir/Madam

AEC Submission to Primary Frequency Response Requirements Draft Procedure

The Australian Energy Council (AEC) welcomes the opportunity to make a submission in response to the Consultation Paper for the Primary Frequency Response (PFR) Draft Procedure (Draft).

The Australian Energy Council is the peak industry body for electricity and downstream natural gas businesses operating in the competitive wholesale and retail energy markets. AEC members generate and sell energy to over 10 million homes and businesses and are major investors in renewable energy generation. The AEC supports reaching net-zero by 2050 as well as a 55 per cent emissions reduction target by 2035 and is committed to delivering the energy transition for the benefit of consumers.

The AEC thanks AEMO for taking into account the AEC's and others' views in preparing the Draft. The AEC below presents only a small numbers of issues identified by members.

Continuity of Response

The AEC thanks AEMO for responding to its and members concerns regarding the initial draft of section 4.3 that appeared to imply, contrary to the expectations of National Electricity Rule (NER) 4.42(c1), that storage is obliged to provide PFR while charging.

The revised wording now correctly recognises that the NER does not oblige this. Instead the Draft now states that AEMO "prefers" that PFR settings do not change based on energy flows.

The AEC suggests that AEMO's preference for a different rule is irrelevant. An AEMO procedure must implement the NER in the way it is written and should not state alternative preferences. AEMO need only clarify in the last sentence of 4.3 that it will *allow* systems to not change settings based on energy flow direction, rather than *prefer*.

Provision of PFR in conjunction with energy dispatch

The Draft's section 2.3(b) suggests that mandatory PFR is expected from systems with a zero energy dispatch target but who are providing Regulation Frequency Control Ancillary Service (FCAS) and at that moment have a positive AGC set point. This is not the AEC's understanding of the NER which is that the only determining trigger of the obligation is a positive energy dispatch target.

Setting unit deadbands wider than the Primary Frequency Control Band (PFCB)

Since its last submission to this consultation, the AEC has submitted [expert advice](#) to the Reliability Panel that universal very narrow governor deadbands may be contributing to some unexplained oscillations and asymmetry in the NEM's frequency characteristic. The AEC's advisor has recommended a progressive relaxation of deadbands to confirm this hypothesis.

The NER provides AEMO the right to implement wider (but not narrower) deadbands on plant than the PFCB. The Requirements should anticipate AEMO doing this and incorporate a mechanism for it.

Any questions about this submission should be addressed to the writer, by e-mail to Ben.Skinner@energycouncil.com.au or by telephone on (03) 9205 3116.

Yours sincerely,



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