



Mr Anthony Englund
Secretary, Reliability Panel
Australian Energy Market Commission
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Dear Anthony

**Reliability Panel - Tasmanian Reliability and Frequency Standards
Draft Determination**

Hydro Tasmania appreciates the opportunity to provide a submission to the Australian Energy Markets Commission Reliability Panel (RP) consultation covering the above draft determination. We have reviewed the Tasmanian Jurisdiction submission and are in full agreement with the content.

Whilst Hydro Tasmania generally supports the recommendations of the draft determination, there are some issues that we consider should be addressed in the proposed future review, as raised during the public hearing last week.

- Period of operational experience

We suggest that a period of at least 12 months operational experience of Basslink be considered in order that the future review may be more fully informed of the issues and implications of any changes to the standards.

- “Grandfathered” standards

We note that “grandfathered” standards currently exist in the NEM, which are accepted by NEMMCO. Over time, the technical performance of generating units may change and upgrades to comply with prevailing standards may be prohibitively expensive and unwarranted if there is no material impact on system security. This is an issue which should be recognised and taken into account in the future review and particularly where frequency standard changes could be more demanding upon generating units.

- Standards post-Basslink

It is noted that these standards may not easily be achieved for some generating units, however, only a significant period of operational experience will be able to determine the materiality of this. In addition, the "Over Frequency Generation Shedding Scheme (OFGSS) is not in operation as yet and the impacts of this scheme are not yet known. The present load event upper frequency limit of 51.0 Hz requires substantial FCAS lower and could result in adverse market outcomes during FCAS separation periods. A softening of this standard could have an overall positive market outcome.

If you have any queries on this submission, please contact James Olivier on (03) 6230 5498.

Yours sincerely,

David Bowker

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