



Mr Benn Barr
CEO, Australian Energy Market Commission
Lodged on AEMC website

3 June 2021

Dear Mr Barr,

Response to Consultation Paper on *Fast frequency response market ancillary service (ERC0296)*

On 22 April 2021, the Australian Energy Market Commission (AEMC) published a draft Determination on *Fast frequency response (FFR) market ancillary service* in response to a rule change request from Infigen Energy. The Clean Energy Investor Group (CEIG) welcomes the opportunity to provide feedback on the AEMC's draft Determination.

CEIG represents domestic and global renewable energy developers and investors, with around 5GW of installed renewable energy capacity across 49 power stations and a combined portfolio value of over \$9 billion. CEIG strongly advocates for an efficient transition to a clean energy system from the perspective of the stakeholders who will provide the low-cost capital needed to achieve it.

SUPPORT FOR THE CREATION OF TWO NEW MARKET ANCILLARY SERVICE CATEGORIES

CEIG welcomes the AEMC's proposal to create a new market for the provision of fast frequency response (FFR) through the creation of two new categories for market ancillary services ('very fast raise' and 'very fast lower' categories).

The creation of a new FFR market demonstrates the importance of reforms that need to occur to facilitate the grid's transition from fossil-fuel to clean energy powered generation capacity. Consumers stand to benefit from the new FFR market that allows inverter-based technologies to be incentivised to provide important new services to the grid such as the delivery of very fast frequency response at lower cost.

SUPPORT FOR EARLIER IMPLEMENTATION OF THE RULE CHANGE

CEIG supports implementing the proposed rule change earlier than in the 3-year timeframe outlined in the draft Determination and encourages the AEMC to investigate with the Energy Security Board and the Australian Energy Market Operator whether this could be made possible as it would build



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resilience in the grid earlier, ahead of the major transformation to be brought by the retirement of fossil-fuel powered generation.

CEIG thanks the AEMC for the opportunity to provide feedback on the proposed rule change request put forward by Infigen Energy and looks forward to continued engagement with the AEMC on this issue. If you would like to discuss any elements of this submission, our Policy Director Ms. Marilynne Crestias can be contacted at marilynne.crestias@ceig.org.au.

Yours sincerely,

A handwritten signature in black ink, appearing to read "S/Corbell".

Simon Corbell
Board Chair & Chief Executive Officer
Clean Energy Investor Group