



18 March 2021

Anna Collyer
Chair
Australian Energy Market Commission
GPO Box 2603
SYDNEY NSW 2000

Re: Implementing a general power system risk review

CitiPower, Powercor and United Energy welcome the opportunity to respond to the Australian Energy Market Commission's (AEMC) draft rule determination on implementing a general power system risk review (GPSRR).

The National Electricity Market (NEM) is transforming – large central generators are giving way to a new normal in which the energy exported by customers' rooftop solar and other distributed energy resources (DER) is an increasingly significant part of Australia's energy mix. We fully appreciate the important role our networks play in facilitating new energy technology, such as rooftop solar, and the benefits this delivers for the environment and the communities we serve. The challenge is to support the uptake of these technologies and help consumers take control of their energy choices while also sustaining distribution system security.

The introduction of the GPSRR aims to increase transparency of emerging system security risks that may need to be managed. We are supportive of amending the National Electricity Rules (NER) to implement a holistic GPSRR that would replace the existing Power System Frequency Risk Review (PSFRR). Distribution network service providers (DNSP) have unique insight into the increasing challenge of power system security. Current arrangements require the Australian Energy Market Operator (AEMO) to collaborate with transmission network businesses within the PSFRR but not DNSPs. The introduction of the GPSRR is an opportunity to formally introduce collaboration with DNSPs to ensure a more comprehensive approach to identifying and managing emerging system security risks.

As part of the GPSRR, AEMO is required to publish a final report setting out its findings and recommendations of the review, and the time and cost of the option's implementation. We note that any flow on interventions because of this new review process will need to be economically assessed, with funding sought via appropriate channels.

We also note our support of the GPSRR being considered into the broader planning arrangements undertaken by AEMO, such as the requirement for AEMO to consider and have regard to the outcomes of the GPSRR in conducting the Integrated System Plan (ISP). Lastly, we recommend a longer consultation period than 10 days following publication of the GPSRR approach paper to allow time for our businesses to meaningfully engage and provide a submission.

Should you have any queries, please contact Ellen Lukin on 0428 824 858 or elukin@powercor.com.au.

Yours sincerely,

Brent Cleeve

Head of Regulation
CitiPower, Powercor and United Energy