



MAJOR ELECTRICITY USERS' GROUP

14 January 2010

Natalie Bartos
System Operator
By email to system.operator@transpower.co.nz

Dear Natalie

Submission on draft scope for System Operator review of AUFLS system

1. This is a submission by the Major Electricity Users' Group (MEUG) on the System Operator draft scope for a review of the Automatic Under-Frequency Load Shedding (AUFLS) System published 21st December 2009¹.
2. This review is very timely. Three comments on the draft scope follow:
 - a) In the Technical Review (paragraph 1.3.1) a view on new technologies should be considered in so far as they may affect an optimal AUFLS scheme; that is both new risks and new opportunities that changing technologies will bring.
 - b) Bullet point one in paragraph 1.3.3 lists work to identify VOLL. The Electricity Commission has an investigation on the related Value of Unserved Energy². The System Operator and Electricity Commission should discuss sharing information on this work.
 - c) The last sentence of paragraph 1.3.5 refers to delivering "*the industry-preferred option.*" MEUG suggest that phrase be replaced with "*the best option that meets technical and economic criteria including the needs of consumers and suppliers*" because using industry-preference as the sole criteria has uncertainties and risks. For example:
 - i) MEUG would include consumers as part of the industry but our experience has shown suppliers often do not;
 - ii) A solution that is technically the most robust may not be the most economically efficient; how and who makes that trade-off? The Electricity Authority rather than industry participants alone may need to make that trade-off; and
 - iii) Finding complete unanimity between all affected parties is unlikely and hence is an industry-preference a majority and how is that calculated?
3. Please let me know if MEUG can assist in providing a forum to meet all directly connected grid consumers with an interest in AUFLS.

Yours sincerely

Ralph Matthes
Executive Director

¹ Refer <http://www.systemoperator.co.nz/n3210>

² Refer <http://www.electricitycommission.govt.nz/opdev/transmis/unserved-energy>