



# MAJOR ELECTRICITY USERS' GROUP

11 March 2011

Lisa Du Fall  
Electricity Authority  
By email to [submissions@ea.govt.nz](mailto:submissions@ea.govt.nz)

Dear Lisa

## Consultation paper – Generation Fault Ride Through

1. This is a submission by the Major Electricity Users' Group on the Electricity Authority consultation paper "Generation Fault Ride Through" published 10<sup>th</sup> February 2011<sup>1</sup> proposing a Code Amendment setting fault ride through standards for all generating plant to overcome the higher risk of cascade failure from voltage excursions as the percentage of wind generation increases.
2. MEUG agrees with the policy problem identified by the Authority, the set of alternative means to solve the problem and the quantitative analysis comparing options. MEUG acknowledges the detailed analysis and contribution of generators and the System Operator to gain an understanding of the risks involved, technical solutions and approaches used overseas. The WGIP has been a worthwhile exercise.
3. The main policy decision for the Authority is when should the standards be introduced? We have therefore limited our response to that question and one other question below:

Question	MEUG response
Q3. Should the fault ride through standard apply to existing synchronous generating plant?	No.  Retrospective application of new standards should be avoided if possible unless there are large benefits to do otherwise <sup>2</sup> . The latter caveat does not apply in this case for existing wind farms. The policy problem arises as new wind farms are built and the policy solution should be targeted accordingly.

<sup>1</sup> Refer <http://www.ea.govt.nz/our-work/consultations/pso-cq/generation-fault-ride-through/>

<sup>2</sup> If there were large societal benefits then a subsequent policy question to be considered is whether compensation should be paid to those parties subject to retrospective regulation.

Question	MEUG response
<p>Q8. Do you agree that there would be benefits in proceeding immediately with proposed fault ride through standards or should the effective date of the proposed standards be triggered at a future date by the level of wind generation penetration?</p>	<p>On balance we support the proposal to implement the Code amendment immediately. We agree with the logic in the consultation paper<sup>3</sup> that trying to delay a Code amendment to an optimal date will introduce uncertainty to investors.</p> <p>In addition MEUG notes that the new wind farm investors affected will probably use latest technology turbines already compliant, and the investments will have scale advantages leading to nil or low incremental unit compliance costs because the Code amendment will not apply to new wind farms less than 30 MW<sup>4</sup>.</p>

4. MEUG supports the proposed Code amendment.

Yours sincerely



Ralph Matthes  
Executive Director

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<sup>3</sup> Consultation paper, paragraph 4.6.13

<sup>4</sup> Ibid, Appendix B, proposed amendment to clause 8.21 of the Code