



MAJOR ELECTRICITY USERS' GROUP

9 May 2017

Mike Collis
Electricity Authority
By email to submissions@ea.govt.nz

Dear Mike

Consultation paper – Information paper: Normal Frequency Management – Strategic Review

1. This is a submission by the Major Electricity Users' Group (MEUG) on the Electricity Authority information paper "Normal Frequency Management – Strategic Review" published 28 March 2017.¹
2. MEUG members have been consulted in the preparation of this submission. This submission is not confidential. Some members may make separate submissions.
3. The information paper is well written. The paper makes this complex topic accessible and understandable to end consumers who ultimately pay the current costs of the status quo administered multiple frequency keeping (MFK) regime for each island at a total cost of around \$10m per annum. MEUG and MEUG members do not have data or other evidence to respond to the questions in the paper on incremental costs for different governor response settings. We see no reason to alter the direction of further work signalled in the paper to consider what proportion of MFK and governor response should be procured and the pre-conditions before that can be implemented of setting and measuring appropriate governor response metrics. We agree circumstances have changed since the introduction of MFK and the HVDC frequency keeping control (FKC) so that the option of a national MFK is no longer on the short-list of possible options to be implemented.
4. We look forward to consultation by the EA on next steps.

Yours sincerely

Ralph Matthes
Executive Director

¹ URL <http://www.ea.govt.nz/dmsdocument/21992> at <http://www.ea.govt.nz/development/work-programme/risk-management/normal-frequency-management-strategic-review/consultations/#c16388>