

Guidelines for management of electricity supply shortfall events

Equitable Load Shedding Arrangements¹

If there is a major supply shortfall in the National Electricity Market, AEMO must, under clause 4.8.9 (i) of the National Electricity Rules (Rules) implement any necessary load involuntary shedding in an equitable manner, in accordance with guidelines established by the Reliability Panel as part of the Power System Security and Reliability Standards.

The Reliability Panel has established the following guidelines for equitable involuntary load shedding in these circumstances.

If insufficient generation, intra and inter regional network transfer capability is available to allow all demand to be supplied (after taking into account demand side bids in the market), at one or more connection points, in one or more regions, then:

- in conjunction with the dispatch of generation and demand side capacity through the dispatch processes of the market, AEMO may as necessary initiate reductions in demand, supplied from those connection points affected by the shortfall; and
- as far as practicable, any reductions, from load shedding as requested by AEMO and/or mandatory restrictions, in each region must occur in proportion to the aggregate notional demand of the effective connection points in that region, until the remaining demand can be met, such that the power system remains or returns (as appropriate) initially to a satisfactory operating state and ultimately to a secure operating state, as defined in the clause 4.2.6 of the Rules.

Any reductions in demand required under these arrangements must take into account sensitive loads and priority order advised to AEMO in accordance with clause 4.3.2(f) of the Rules.

Effective Connection Point – connection point at which continued reduction is effective in reducing the supply shortfall, taking into account network constraints at all times.

Notional demand – is the total demand being supplied, plus the amount of demand reduced through involuntary load shedding as requested by AEMO, and the amount of demand reduction due to mandatory restrictions imposed by the Jurisdiction, as estimated in the mandatory restrictions schedule.

¹ These Guidelines for management of electricity supply shortfall events were updated by the Reliability Panel (Panel) as part of its Review of the Operational Arrangements for the Reliability Standard, which it completed on 17 December 2009. The Final Report of this review is available at www.aemc.gov.au/Market-Reviews/Open/Review-of-Operationalisation-of-the-Reliability-Standards.html