

Draft determination to revoke the South Australian protected event

The Reliability Panel invites submissions on the draft determination

The Reliability Panel has made a draft determination to revoke the South Australian ‘destructive winds’ protected event. AEMO proposes to manage this risk under the revised contingency reclassification process.

The Panel considers that revoking the South Australian protected event would promote the long-term interests of consumers by avoiding excessive costs as the power system transforms and simultaneously supporting the secure operation of the power system.

The Panel is following the expedited process to assess AEMO’s request to revoke the South Australian protected event. If any person objects to the expedited consultation, they may submit a written request to the Panel by **20 July 2023** to use the standard process.

The Panel invites stakeholder feedback on the draft determination by **3 August 2023**.

The Panel’s draft determination is to revoke the protected event

The Panel’s draft determination is to revoke the South Australia protected event as the risk of destructive winds in South Australia can be better managed through the revised contingency reclassification framework. This change is required to allow AEMO to apply revised operational controls that reflect the changes to the network topology due to the impending connection of the stage one of Project EnergyConnect.

The **South Australian ‘destructive winds’ protected event** was declared by the [Reliability Panel in 2019](#). It allows AEMO to manage the heightened risk to the South Australian power system due to destructive winds such as those that lead to the state-wide “System Black” event that occurred in South Australia on the 28 September 2016.

Project EnergyConnect is a new 330kV AC Interconnector between Buronga in South Australia and Wagga Wagga in new South Wales. Stage 1 is expected to be completed in December 2023 and will provide a single-circuit connection with a transfer capacity of 150 MW. Stage 2 will upgrade Project EnergyConnect to a double circuit connection with a transfer capacity of 800 MW and is expected to be completed in December 2024.

Following the connection of PEC Stage 1, the operational controls required under existing protected event arrangements would likely over-constrain the power system and may consequentially lead to excessive costs for consumers. The revocation of the protected event would support the application of suitable alternative operational arrangements to manage risks in an efficient and low cost way that avoids excessive costs for consumers.

Revoking the protected event will not adversely impact on power system security

The Panel is satisfied that, based on AEMO’s advice, there would likely be no negative consequences from revoking the protected event. AEMO has advised that the risks to the power system due to destructive wind conditions in South Australia can now be managed by reclassifying this risk as a credible contingency under the revised contingency reclassification framework.

In response to initial stakeholder discussions, the Panel has published additional information from AEMO to clarify the expected operational outcomes following a revocation of the protected event and the proposed arrangements for managing destructive wind conditions in South Australia. As for the protected event, these controls are aimed at mitigating the risks — and avoiding regional separation — due to a loss of up to 500 MW of generation in South Australia.

Objections to the expedited rules consultation procedure are due by 20 July 2023.

Stakeholder submissions on the draft determination are due by 3 August 2023.

The Panel is following the expedited rules consultation procedure

The Panel is following the expedited rules consultation procedure to assess AEMO's request, as the Panel considers that AEMO's request is a non-material proposal. The Panel is satisfied that AEMO can use the revised contingency reclassification framework to appropriately manage risks associated with the destructive winds in South Australia without having a significant effect on the National Energy Market or on the activities of registered participants.

The expedited rules consultation procedure has only one round of consultation before the final determination. The Panel invites stakeholders to submit written feedback on the draft determination before **3 August 2023**.

If any person considers that AEMO's proposal is not a non-material proposal, they may submit a request that the standard rules consultation procedure should be used. Any request must be in writing within 10 business days of the publication of this draft determination, by **20 July 2023**, and contain reasons why the person(s) considers that the proposal is not a non-material proposal. The Panel will publish any requests with the Panel's assessment and decision in relation to each request. Subject to consideration of any requests, the Panel may revert to the standard consultation procedure and publish an additional draft determination for stakeholder input.

AEMO's request to revoke the South Australian protected event

On 11 April 2023, the Reliability Panel received a request from the AEMO to revoke the South Australian protected event. AEMO's request is consistent with their recommendation to revoke the protected event in the 2022 *Power system frequency risk review*.

AEMO considers that the South Australia protected event should be revoked prior to the connection of Project EnergyConnect Stage 1 with the grid, expected to be in December 2023. AEMO considers that Project EnergyConnect will alter the network topology such that the protected event arrangements will no longer be fit for purpose.

AEMO has determined that there will be no negative consequences due to the revocation of the protected event. This is based on the understanding that the risk of destructive wind conditions in South Australia can be effectively managed using the revised contingency reclassification framework.

The contingency reclassification framework

The AEMC made the [Enhancing operational resilience in relation to indistinct events](#) rule on 3 March 2022 to revise the contingency reclassification framework under the NER. The revised contingency reclassification framework, which commenced on 1 March 2023, allows AEMO to reclassify non-credible contingency events as credible contingency events if they become reasonably possible under abnormal conditions, such as destructive winds. AEMO is required to take preemptive action to maintain the power system in a secure operating state — and avoid emergency load shedding — for credible contingencies, but not for non-credible contingencies.

AEMO is required to report every six months on the appropriateness of any reclassifications decisions and measures used to manage these risks. AEMO is also required to review the arrangements for managing priority risks through its annual *General Power System Risk Review*.

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