



FW: Clarifying registration for non-generating units providing system security services - Could not make a submission using AEMC form

From Submissions <Submissions@aemc.gov.au>

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To Graham Mills <Graham.Mills@aemc.gov.au>

Sent: Thursday, 3 July 2025 5:07 PM

To: Submissions <Submissions@aemc.gov.au>

Subject: Clarifying registration for non-generating units providing system security services - Could not make a submission using AEMC form

Clarifying registration for non-generating units providing system security services

SCATHING OBJECTION TO CS ENERGY'S RULE CHANGE REQUEST AND

The proposal from CS Energy — and the broader agenda being pursued by the AEMC —

The notion that non-generating units like **standalone synchronous condensers** or worse — **battery systems (BESS)** — can ever match, let alone replace, the unparalleled, effortless, always-on inertia, frequency control, and system strength provided by **synchronous coal-fired generators** is fantasy. And the push to contort the National Electricity Rules (NER) to accommodate this ideological experiment is yet more proof that the so-called "transition" is built on greenwash, not engineering.

Synchronous condensers are an **expensive crutch**, Coal-fired power stations don't *need* synchronous condensers. They *are* the source of those grid services, provided inherently, around the clock, without subsidy or Chinese minerals, and without setting the country on fire when the weather heats up. Synchronous condensers and batteries are **not replacements** — they are **afterthoughts, band-aids, and liabilities**.

The regulator is supposed to protect reliability, affordability, and sovereignty. Instead, it is acting as a facilitator of speculative, foreign-reliant, techno-political "solutions"

[REDACTED] exposing Australia to serious geopolitical and physical energy risk.

PRIORITISE SUPERIOR, SOVEREIGN, AUSTRALIAN POWER & RETURN TO COAL. STOP BANNING NUCLEAR POWER. ABANDON THE INTERCONNECTOR PIPE DREAMS. CEASE ALL REWIRING AUSTRALIA DELUSIONS. AND FOR HEAVEN'S SAKE, STOP THIS CONSTANT RULE-CHANGING [REDACTED]

CONSULTATION PAPER QUESTIONS – DETAILED RESPONSES

Question 1: Is there a substantive problem or evidence of an emerging one?

NO. There is no legitimate, technical “problem” here — only a political one.

CS Energy’s so-called “barrier” exists **because synchronous condensers are not power stations**. They were never meant to be. It’s entirely appropriate that they do **not** fit neatly into the existing categories. What CS Energy wants is special regulatory treatment to prop up a non-generating, non-firm technology to pretend it’s a substitute for actual generation. It’s not.

Any so called “barrier” is a **necessary guardrail**, not a flaw. The only reason we are even *talking* about converting power stations into inert rotors is because of the ideological decommissioning of baseload coal — an act of deliberate energy sabotage.

To suggest the lack of a category for synchronous condensers is a “material problem” is like removing the engine from a car and then asking the government to register the remaining shell as a new type of vehicle.

Question 2: Costs and benefits of CS Energy’s proposal

Costs:

- Further regulatory fragmentation, adding complexity to an already over-engineered NER framework.
- Embedding the false assumption that synchronous condensers (and BESS) can “replace” real synchronous generation.
- Opens the door to profiteering by asset owners offering hollow services while taxpayers and consumers foot the bill.

Benefits:

- Only to CS Energy and other asset holders who want to earn regulated revenue from gutted coal plants without supplying actual power.

There are **no real consumer benefits**, because these “services” would not be needed **if coal were retained or replaced with nuclear**.

Question 3: Will the proposed solution address the issue?

Yes — **but only because the issue itself is contrived**. This is not a genuine problem demanding a new category. [REDACTED]

Furthermore, adopting this rule will create perverse incentives to:

- Gut functioning plants earlier than necessary.
- Earn returns on non-generating equipment while delivering no real system resilience.
- Enshrine a pretend “market” for inertia that should not exist at all.

Question 4: Views on applying the IRP registration category

Absolutely not. A synchronous condenser is *not* a bi-directional unit. It does *not* charge and discharge. It has no stored energy. It does not dispatch energy into the grid. To twist the IRP category to include this is regulatory vandalism.

Worse, trying to shoehorn it into the IRP framework will:

- Undermine the IRP category’s credibility.
- Blur distinctions between generating, storing, and passive assets.
- Obscure market signals and confuse participants.

We need **clear, strict categories**, not endless “flexibility” to justify yet another technology rabbit hole.

Question 5: Assessment framework

Disagree. The criteria are flawed because they assume that the “transition” is inevitable and that the only question is how to patch the damage done by coal closures.

Additional criteria to be included:

- **Energy Sovereignty:** Does this change increase or decrease our reliance on hostile or unstable foreign suppliers (e.g. China)?
- **Technology Provenance:** Does the solution rely on unproven or unscalable technology?
- **Consumer Risk:** Are we socialising new market risks through regulatory backdoors?

The proposed framework is **tailored to justify the outcome** the AEMC already wants: [REDACTED]

CONCLUSION

The AEMC should **immediately reject** this rule change request. If any part of the NER is to be amended, it should be to **lock in protections for dispatchable thermal generation**, not reclassify its hollowed-out husks as grid stabilisers.

This nation needs:

- **More coal, not less.**
- **Stop banning nuclear power.**
- **An end to renewables-first regulatory capture.**

- **Grid security through strength, not bureaucratic semantics.**

Until that happens, rule changes like this will do nothing

From:

'Save Our Surroundings Riverina'

[Lynette LaBlack