

Draft rule determination

National Electricity Amendment (Clarifying Registration for Non-Generating Units Providing System Security Services) Rule 2025 Submission Objection

Critique of the AEMC Draft Rule Determination: "Clarifying Registration for Non-Generating Units Providing System Security Services" (Rule 2025)

A Regulator Without Independence, Scientific Rigor, or Accountability

The Australian Energy Market Commission (AEMC) continues to demonstrate a deep and growing disconnect from the national interest, technical reality, and the Australian people.

Far from being an independent regulator guided by engineering facts, evidence, and the National Electricity Objective (NEO), the AEMC has again acted as a rubber stamp for the ideological and politically driven energy agenda of the Energy Ministers and vested corporate interests.

The so-called "Clarifying Registration for Non-Generating Units Providing System Security Services" draft determination is not a reform — it is a façade.

It offers no improvement in system reliability, security, or affordability, and does nothing to restore confidence in the integrity of Australia's electricity governance.

Regulatory Capture and Failure of Duty of Care

The AEMC and its counterpart bodies AER and AEMO, the Energy Advisory Panel and state regulators are now manifestly compromised by political interference and corporate capture. The regulator's role has been reduced to legitimising a policy experiment based on ideology, not engineering.

In ignoring the warnings of independent electrical engineers and power system experts — those with decades of practical, on-the-ground experience — the AEMC has failed its duty of care to the Australian public. Its continuing endorsement of the Integrated System Plan (ISP), despite its demonstrably flawed modelling, false assumptions, and unverified claims are neglectful of statutory obligations.

The ISP is not fit for purpose, not independent, and fatally compromised.

It is a case study in circular logic — based on garbage in, garbage out modelling.

The Commission's blind reliance on it ensures the continuation of a deeply unstable, insecure, and unaffordable grid.

Engineering Reality Ignored

There is no electrical engineering, scientific rigour, integrity or ethics underpinning this rule change.

The AEMC's claim that expanding the Integrated Resource Provider (IRP) registration category will "enhance system security" through the installation of synchronous condensers and batteries is not supported by any credible technical analysis.

Non-network assets such as standalone synchronous condensers or BESS cannot and do not replace the essential, continuous synchronous inertia and fault current supplied by large-scale

coal or nuclear generation.

These devices can only provide limited, localised stabilisation — not the grid-forming stability required for a secure, reliable power system.

In short: the AEMC is mistaking patches for pillars!

Erosion of Reliability, Security, and Sovereignty

Australia's once world-class electricity system — built on dependable, dispatchable, synchronous power — is being systematically dismantled in favour of intermittent, weather-dependent, foreign-controlled technology.

This is not energy transition; it is energy sabotage.

By undermining reliable baseload generation and pretending that small, subsidised, and fragile assets can perform the same function, the AEMC is placing national energy security — and by extension, national sovereignty — at dire and imminent risk.

The increasing reliance on imported equipment, software, and minerals from China raises profound national security concerns, yet these risks are being ignored.

The regulator's silence on this issue is indefensible!

Failure to Meet the National Electricity Objective

This draft rule determination does not meet any part of the NEO.

It does not:

Promote efficiency in investment or operation;

Deliver reliability, safety, or security; or

Act in the long-term interests of energy consumers.

Instead, it prioritises [REDACTED] greedy generators, and vested interests, granting them a fast-track to further profit while ordinary Australians face escalating prices, reduced reliability, and growing energy poverty.

Public consultation has been tokenistic and exclusionary, dominated by those with commercial or ideological agendas.

There is no genuine social licence for this or any recent AEMC rule change.

Regulatory Framework Without Ethics or Competence

The AEMC's self-congratulation for "good regulatory practice" is utterly misplaced.

There is no predictability, stability, simplicity, or transparency for consumers — only for investors seeking to exploit the latest subsidy or policy fad.

The Commission's analysis relies on untested economic assumptions and discredited modelling frameworks.

There is no empirical data, no engineering validation, and no recognition of the proven technical limits of inverter-based resources.

This is not regulation; it is ideology disguised as analysis.

The Way Forward: Return to Engineering Reality

To restore Australia's energy security, the following steps are essential:

- *Suspend the ISP and commission a full independent audit by non-aligned electrical engineers and economists with no commercial or political affiliations.
- *Rebuild reliable baseload generation — new HELE coal and remove the ban in order to establish a nuclear power industry — to provide genuine synchronous inertia and frequency stability.
- *End the regulatory capture of the AEMC, AER, AEMO, and the Energy Advisory Panel by vested interests and re-establish independence, integrity, and transparency in energy governance.
- *Prioritise the Australian public, not the rent-seekers, in every rule change and policy review.
- *Strengthen national security by rejecting reliance on foreign-controlled, unreliable, and environmentally destructive components via unethical supply chains.

Conclusion

This draft rule change is emblematic of a regulator adrift — unmoored from science, detached from the public interest, and captured by ideology.

Far from clarifying registration for non-generating units, it obscures accountability, erodes trust, and deepens Australia's energy crisis.

Until the AEMC and associated institutions return to evidence-based, engineering-driven regulation that serves Australian consumers first, every new rule and every new plan will only further entrench the dysfunction they claim to fix.