



7 May 2026

Australian Energy Market Commission (AEMC or the Commission)

Submitted via AEMC website

Dear Ms O'Keefe,

National Electricity Market (NEM) Access Standards Package 2 – Draft determination

Hydro Tasmania welcomes the opportunity to respond to the Australian Energy Market Commission's *NEM Access Standards Package 2* draft determination. Hydro Tasmania is Australia's largest generator of renewable energy and has a strong interest in ensuring access standards remain clear, fit-for-purpose and supportive of a secure, reliable and efficient energy transition.

We broadly support the draft rule and provide the following comments:

- We support the proposal to allow HVDC links to contract with third parties to procure system strength, as discussed further below.
- We support the proposed disclosure of fault ride-through capability and consider that further attention should also be given to incentives for improving the performance of existing legacy loads, as highlighted in our Issues Paper submission.
- We are supportive of fast ramp-down capability as an alternative to block load shedding and consider that further work may be warranted to ensure appropriate incentives for uptake.
- We support the introduction of a clearer framework for classifying inverter-based loads (IBLs). It's important that this framework will be able to recognise that clusters of smaller IBLs can still give rise to system disturbances, at the discretion of the network service providers.
- We support increased flexibility in short-circuit ratio settings but are concerned that limiting requirements to large IBLs may overlook cumulative system strength risks arising from smaller, aggregated resources.

Ability for HVDC links to contract with third parties to procure system strength

We strongly support the proposal to allow HVDC market network service providers (MNSPs) to meet their short-circuit ratio minimum access standards obligations (3.0) via third-party system strength procurement. As noted in our submission to the consultation paper, we consider this flexibility will encourage more efficient and cooperative investment outcomes, particularly where existing system strength providers and planned HVDC developments are co-located.¹

¹ Hydro Tasmania, *Submission to AEMC, NEM Access Standards Package 2 Consultation Paper* (submission, page 3).



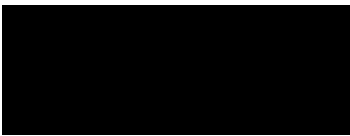
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To fully realise the benefits of this draft rule, it's important that the AEMC also consider the incentives for HVDCs to explore non-network options like third party contracting. We note that incentives for network businesses to consider non-network options are currently being examined through the *Security Framework Enhancements* rule change, and we have therefore also raised this issue in response to that process.

Please contact Shannon Culic at [REDACTED] to discuss any follow up to this letter.

Yours sincerely



John Cooper
Manager Policy & Regulation

