



16 January 2023

Daniel Westerman
Chief Executive Officer
Australian Energy Market Operator

Submitted online: pfr@aemo.com.au

Dear Mr Westerman

Primary Frequency Response Requirements

Origin Energy Limited (Origin) welcomes the opportunity to provide comments on the Australian Energy Market Operator's (AEMO) Primary Frequency Response Requirements (PFRR).

Origin is not supportive of the proposed amendment of Section 4.3 to require battery energy storage systems to provide PFR when charging. While we acknowledge the importance of predictable unit response, this change is inconsistent with the intent of the PFR Incentive Arrangements final rule. The final rule clarifies that generators that are not dispatched in the energy market to generate electricity are not required to provide PFR. The AEMC concluded that the application of a PFR requirement to battery energy storage systems that are not dispatched to generate electricity would be "discriminatory, as other generation technologies cannot provide PFR unless they are online and generating".¹ We also note that requiring batteries to provide PFR when charging has the potential to increase the wear and tear and may reduce their effective asset life, which could impact the investment case for battery storage.

If you wish to discuss this submission further, please contact Thomas Lozanov at thomas.lozanov@originenergy.com.au.

Yours Sincerely,

A handwritten signature in black ink that reads "S Cole".

Shaun Cole
Group Manager, Regulatory Policy

¹ AEMC, *PFR Incentive Arrangements – Final Determination*, p. 29