

# Factsheet

## Load Shedding

An explanation of why load shedding may be required and how it works to protect the national electricity system.



### Key definition

Load shedding is the controlled reduction of electricity supply to parts of the power system servicing homes and businesses to protect system security and mitigate damage to infrastructure. AEMO, industry and government work together to minimise the impact on the community.



Controlled load shedding assists in maintaining system stability and the balance between supply and demand on the national electricity supply system, and may be implemented when there is a shortage of electricity supply.

## What causes a shortage of supply?



Load shedding is a rare occurrence, and could happen at any time due to a combination of conditions. A number of factors can contribute to a supply and demand imbalance, such as extreme or prolonged weather conditions, storms, and generation and/or infrastructure outages.

## Why is load shedding needed?



After all supply and demand response options available to AEMO have been exhausted, including importing more power from other states, tapping into emergency energy reserves and calling on the the Reliability and Emergency Reserve Trader (RERT), load shedding may be required as an absolute last resort to avert the risk of system collapse, physical damage to parts of the power system and long-term outages to residents and businesses.

The power system may experience different types of power outages. Load shedding is different to local outages (planned or unplanned). Planned outages are prearranged and necessary for routine maintenance, inspections and improvements on various electricity infrastructure. Local unplanned outages are an interruption to the generation, transmission, or distribution of electricity that is unscheduled and can occur as a result of damage to wires caused by storms, lightning strikes, falling trees (or branches), motor accidents, bush fires, equipment failure etc.

## Which areas could be affected by load shedding?



AEMO does not decide which areas are shed. AEMO makes the decision about how much electricity consumption needs to be reduced and the electricity transmission and distribution companies and government work out how this will be done on a local level. Approaches vary between the states and territories, and each has a plan developed by the state or territory government in collaboration with the electricity industry for how load shedding is to be carried out in their jurisdiction.

“Load shedding is a last resort response to bring power flows into balance, averting the risk of system collapse or physical damage to parts of the power system.”

Wherever possible, load shedding is done on a rotational basis.

In AEMO's unique role as the Victorian Transmission System Planner, we work with government to determine the priority order of load shedding. Principles in determining this order are nationally consistent. AEMO and the electricity industry work together to minimise the impact on the community, particularly major health facilities, emergency services and public transport. However, all electricity consumers should be prepared for power outages, in the rare occurrence that AEMO instructs load shedding to protect the whole power system.