



Our ref: D219133  
Contact: Adrian Theseira

15 September 2020

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Australian Energy Market Operator  
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Sent by email to Dean.Sharafi@aemo.com.au

Dear Mr Sharafi

### Approval of revised 2020-21 LFAS Ancillary Service Requirement

Thank you for your letter dated 25 August 2020 notifying the ERA that the Australian Energy Market Operator has reassessed the Load Following Ancillary Service Requirements for the 2020/21 Financial Year.

The ERA has audited AEMO's proposed revised requirements. During the audit process, AEMO advised by letter dated 10 September 2020 that it intends to increase the LFAS requirements in a staged approach. Initially, AEMO will enable +/- 95 MW of LFAS between 5:30 AM and 7:30 PM and +/- 70 MW between 7.30 PM and 5.30 AM. AEMO also stated that it will monitor the adequacy of the initial implementation and assess whether further increases of up to +/-10 MW for either timeframes is required. The ERA has considered the staged implementation when assessing the revised requirements.

In accordance with clause 3.11.6 of the Wholesale Electricity Market Rules, the ERA has approved AEMO's proposed LFAS requirements as set out in Table 1.

**Table 1: Load Following Ancillary Service Requirements for remainder of 2020-21 Financial Year**

Ancillary Service	Approved Requirements
LFAS Upwards	Up to 105 MW between 5:30 AM and 7:30 PM Up to 80 MW between 7:30 PM and 5:30 AM
LFAS Downwards	Up to 105 MW between 5:30 AM and 7:30 PM Up to 80 MW between 7:30 PM and 5:30 AM

AEMO has advised that it will review the revised requirements in December 2020. The ERA recommends that AEMO provide an update to the ERA on the adequacy of the revised LFAS requirements early in 2021.

Yours sincerely

A handwritten signature in black ink, appearing to read 'Nicky Cusworth', written in a cursive style.

Nicky Cusworth  
**Chair**