



21 December 2021

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To whom it may concern

### Preliminary decision on August 2021 UTS

We refer to the Authority's preliminary decision of 16<sup>th</sup> December 2021 on whether an undesirable trading situation occurred on 9<sup>th</sup> August 2021 (**Decision Paper**).

The system operator would like to clarify an aspect of the background circumstances set out in paragraph 3.1 of the Decision Paper. In particular, the following description within paragraph 3.1:

*"The errors in the DAN resulted in a number of distributors, who had already disconnected load in response to the 6.48pm request, to manage their load further. Whereas the initial response would have had little impact on consumers (ripple control hot water and street lighting disconnection being common mechanisms), the subsequent response was enacted through disconnecting consumers completely. As a result, four distribution companies disconnected approximately 35,0005 consumers ..."*

The inference from the above description is that the 19:09 DAN was the sole trigger for consumer disconnections. However, as noted in the PBA Report of 6<sup>th</sup> October 2021, the effect of the 18:47 GEN was that distributors that still had some available controllable load, shed that load to achieve a 1% reduction. However, other distributors that had already shed all controllable load started to disconnect consumers to achieve the 1% reduction<sup>1</sup>. As noted in the PBA Report, the 1% demand reduction was achieved by 18:53 and by 19:08 a 3% demand reduction had been achieved as some distributors had exceeded their demand shedding target [footnote to reference PBA Report]. The system operator's intention when issuing the 19:09 DAN was to re-balance the reduced demand back to 1%.

The system operator acknowledges the demand allocations in the 19:09 DAN were incorrect, as the DAN used outdated historical base data. However, the DAN was not the sole cause of consumer disconnections, as some distributors disconnected consumers in response to the 18:47 GEN.

We trust this submission helps to clarify the background circumstances set out in paragraph 3.1 of the Decision Paper.

Yours sincerely,

**Stephen Jay**  
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<sup>1</sup> Reference Table 2 (Timeline) of the PBA Report