



29 September 2026

Department of Energy and Economic Diversification
Level 1
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Perth WA 6000

Lodged email: energymarkets@dmirs.wa.gov.au

Dear DEED,

RE: Power System Security and Reliability Standards Review – Consultation Paper

About Shell Energy in Australia

Shell Energy provides the energy businesses and households need for today and tomorrow.

A generation-backed trader and energy retailer, Shell Energy powers businesses and homes and acts as a catalyst for change to positively impact Australia's energy future.

We provide electricity, gas, and innovative solutions for our customers, complemented by our portfolio of gas-fired peaking power stations and battery storage assets, which support energy security and reliability.

Shell Energy is Australia's largest electricity retailer to commercial and industrial businesses, recognised for our market-leading customer service.¹ We offer business electricity, gas, and smart energy solutions. Our residential business, Powershop, provides greater choice and confidence to households and small businesses to help them take control of their energy through multiple energy plan options and digital tools.

General Comments

Shell Energy welcomes the second stage of the Power System Security and Reliability Standards Review and supports DEED's objective to promote power system security and reliability as the participation of Inverter Based Resources (IBRs) increases within the South West Interconnected System (SWIS).

As inverter-based technologies become an increasingly significant component of the SWIS generation mix, it is appropriate that technical requirements and system security frameworks are periodically reviewed to ensure they remain fit for purpose and support the ongoing energy transition. Shell Energy recognises the importance of maintaining adequate system strength and system security as the power system evolves and supports measures that facilitate the reliable integration of new technologies.

We have provided a table with feedback related to each proposal below.

¹ Utility Market Intelligence (UMI) survey of large commercial and industrial electricity customers of major electricity retailers, including ERM Power (now known as Shell Energy) by independent research company NTF Group in 2011-2021.

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Table – Shell Energy response to proposals

Proposal	Comments
1	The determination of low system strength compared to adequate system strength by AEMO can change significantly between years as new information comes to light. Should the proposed framework require that all new IBR resources, not only ESR, are constructed with the capability to easily convert from grid following (GFL) to grid forming (GFM) inverter capability.
1.3	Concern that this is specifically targeting ESR rather than any IBR, particularly one connected via a GFL inverter.
1.4	Shell Energy agrees that where a resource is operating in breach of its registered Generator Performance Standard (GPS), and that non-compliance is materially contributing to a PSSR issue that cannot reasonably be addressed through other measures, curtailment of that resource may be appropriate. However, further detail is required on how non-compliance will be identified, assessed and verified. In particular, we seek clarification on whether this process will rely on participant self-reporting, or another assessment and verification process. Additionally, we do not support limiting second-priority curtailment to ESRs operating in GFL mode. Consideration should also be given to other IBRs connected via GFL inverters. Curtailing ESRs and preventing them from charging may increase economic and network congestion-related curtailment across other IBRs. It may also reduce the state of charge available in ESRs later in the day, potentially affecting reliability outcomes during periods of higher demand. The third priority of curtailing resources which have not met updated EMT model requirements should only be implemented following the allowance of a suitable period of time for EMT models to be completed. There will be a time delay for existing resources to have this requirement met as it is unreasonable and impractical to expect existing resources to implement this in any immediate timeframe.
1.5	We recommend more detail is provided on the proposed procedure. The procedure should allow for clustering of resources where allocated coefficients are mathematically close given the methodology by which these coefficients are calculated. The determination of resource output could also be determined via a prorated allocation based on real time capability when bid prices are tied.
3 – 3.3	Shell Energy supports these proposals, including the proposed arrangements for Western Power to contribute to the reasonable costs incurred by existing facilities in meeting revised EMT modelling requirements. Sufficient implementation time should also be provided, particularly where compliance requires the development of a new EMT model rather than the update of an



	existing model. We recommend an implementation period of at least two years, with scope for additional time where reasonably required having regard to the complexity of the modelling work and its interaction with planned plant upgrades or replacement projects.
4.1	Shell Energy acknowledges the need for Western Power to review facility control settings where this is necessary to address demonstrated system strength or related power system impacts. However, the ESM Rules and supporting procedures should clearly distinguish between operational settings and settings that affect a facility’s ability to meet, or perform consistently with, its Registered Generator Performance Standards. Before requiring a change, we recommend Western Power consult with the relevant Market Participant and, where appropriate, the original equipment manufacturer, and provide supporting technical information demonstrating the need for the change. A participant should not be required to implement a change that would adversely affect compliance with, or performance against, its Registered Generator Performance Standards without agreement and an appropriate process to address the resulting technical and commercial consequences. The framework should also clarify responsibility for reasonable costs where a required change necessitates material control-system modifications or upgrades.

Conclusion

We welcome the opportunity to discuss our submission further. Please contact Tessa Liddelow at tessa.liddelow@shellenergy.com.au for any queries regarding this submission.

Yours sincerely

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