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System Restart Ancillary Services Guideline 2020 Issues Paper

Meridian Energy Australia Pty Ltd and Powershop Australia Pty Ltd (MEA Group or Powershop) thanks the Australian Energy Market Operator (AEMO) for the opportunity to provide comments on the AEMO's System Restart Ancillary Services Guideline Issues Paper (the Paper).

Background on the MEA Group

MEA Group is a vertically integrated generator and retailer focused entirely on renewable generation. Powershop is an innovative retailer committed to providing lower prices for customers and which recognises the benefits to customers in transitioning to a more distributed and renewable-based energy system. Over the last five years, Powershop has introduced a number of significant, innovative and customer-centric initiatives into the Victorian market, including the first mobile app that allows customers to monitor their usage, a peer-to-peer solar trading trial and a successful customer-led demand response program. Powershop has also been active in supporting community energy initiatives, including providing operational and market services for the community-owned Hepburn Wind Farm, supporting the Warburton hydro project, and funding a large range of community and social enterprise energy projects through our Your Community Energy program.

Submission

MEA Group is generally supportive of the Paper and AEMO's amendments to the System Restart Ancillary Services (SRAS) Guidelines, and recognise the importance of this work. Ensuring the SRAS Guidelines remain fit for purpose is integral to ensuring system security and reduced costs for consumers into the future. The amendments to the SRAS Guidelines will enable greater participation from current and emerging technology types, such as synchronous generators and subsequently facilitate the transition of the National Electricity Market (NEM) to a lower-emissions system.

MEA Group has responded to the questions presented in the Paper below.

Question 1 - AEMO asks stakeholders to consider whether the proposed amendments provide adequate guidance on the technical requirements for a black start service. Stakeholders may also consider whether they are under or over prescriptive, noting there is a balance between the detail needed to enable potential SRAS providers to understand whether their facility could qualify to provide a service, and the flexibility to consider technologies that could meet those requirements in different ways.

MEA Group generally supports the amendments to the definition of black start services, as described in section 3.3 of the Guidelines. However, further definition or elaboration could be provided for the "specified minimum period", as described in 3.3(f), and how this period is determined for a Delivery Point capable of meeting the other technical requirements of section 3.3. For example, outlining the process by which this is determined and the relationship to the restoration times necessary to meet the SRAS requirements for each electrical sub-region. This aspect is most pertinent to those developing energy storage systems with limited discharge duration capacities.

Question 2 - AEMO asks stakeholders to consider whether the proposed amendments provide adequate guidance on the technical requirements for restoration support services. Stakeholders may also consider whether they are under or over prescriptive, again noting the need to appropriately balance detail with the flexibility to adapt to changing network conditions and emerging technologies. Additional complexities arise because, in black system conditions and as initial restoration commences, the network may be weaker and operating conditions more extreme than those contemplated in power system standards or registered performance standards. AEMO welcomes comments on the ability of asynchronous units to meet these requirements under the likely operating conditions of system restoration.

MEA Group supports the addition and description of restoration support services described in section 3.4 of the Paper. The description of technical requirements is provides an appropriate level of detail to contemplate the provision of services with asynchronous plant.

However, we note that unique cases, such as multiple generators with a mixture of synchronous and asynchronous technologies behind a connection point, may prove more complex in meeting the descriptions provided. During a system black event, these generators may have distinct technical attributes. In such instances where multiple generating (and load) units exist at a single connection point, we encourage AEMO to advise how they will apply the requirements for restoration services and how these requirements can be distinguished per generating (or load) unit.

Question 3 - AEMO asks stakeholders to consider whether the factors described in section 6(c) and (d) of the draft SRAS Guideline are appropriate considerations in meeting the requirements of the SRAS Procurement Objective. If not, please suggest additional or alternative factors that can be readily applied for a range of future scenarios. AEMO would also welcome stakeholder views on potential contractual structures that may be generally appropriate for a wide range of SRAS, explaining why they would facilitate achievement of the SRAS Procurement Objective.

MEA Group supports the amendment to the SRAS Procurement Objective. To the extent that AEMO can reasonably determine long-term value for money for consumers, section 6.(d)(i) of the Paper could be more explicit and better define the reference period and sources for "forecast power system development". For instance, nominating a common long-term planning horizon which may already be common amongst AEMO and Network Service Providers (e.g. annual planning time horizons or the ISP).

Question 4 - AEMO asks stakeholders to consider whether the draft SRAS Guideline, including Appendix B, provides sufficient guidance on the requirements under the Amending Rule for the new testing regime.

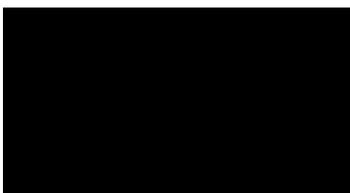
MEA Group believes that due to the hastening level of change in the NEM, AEMO's ability to exercise prudent judgement with regard to 4.5.1(b) will be integral to ensure the new testing regime for existing and new SRAS providers is not too onerous.

Question 5 - AEMO asks stakeholders to consider whether any additional changes to the SRAS Guideline are needed to facilitate identification of differences between test procedures and actual restart procedures, or other improvements or clarification in relation to testing.

If Appendix A.1, item 11 is proposing to cover both storage systems to support auxiliary loads (e.g. UPSs) and large scale battery storage systems, it should be detailed and tested separately. If this is not to be addressed in the Guidelines, then it should be specifically addressed during the development of the detailed test program, for the avoidance of doubt (e.g. not exceeding an agreed upon number of tests per annum).

MEA Group looks forward to further consultation and engagement on the AEMO's amendments to the SRAS Guidelines. If you have any queries or would like to discuss any aspect of this submission, please feel free to contact me.

Yours sincerely,



Powershop Australia Pty Ltd
Meridian Energy Australia Pty Ltd