

Australian Energy Market Operator

Submitted via email: NEMReform@aemo.com.au

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Submission to ST PASA Procedure and Recall Period Draft Determination 2024

The Australian Energy Council welcomes the opportunity to make a submission to the ST PASA Procedure and Recall Period Draft Determination 2024 (Draft).

The Australian Energy Council (AEC) is the peak industry body for electricity and downstream natural gas businesses operating in the competitive wholesale and retail energy markets. AEC members generate and sell energy to over 10 million homes and businesses and are major investors in renewable energy generation. The AEC supports reaching net-zero by 2050 as well as a 55 per cent emissions reduction target by 2035 and is committed to delivering the energy transition for the benefit of consumers.

The AEMC published its final determination on 5 May 2022. AEMO held a stakeholder workshop on 24 July 2024 and then commenced its standard consultation process by issuing an initial consultation paper on 2 September 2024. The Draft represents the first document where formal stakeholder feedback via submissions has been available to AEMO. Participants provided a significant volume of feedback for AEMO to consider. Many of the suggestions have been either declared out of scope or to be a matter for consideration by the ST PASA replacement project with only a few influencing AEMO's decision making in this process.

The purpose of the medium -term and short-term projected assessment of system adequacy processes as stated in clause 3.7.1 (b) is;

- *The PASA is a comprehensive program of information collection, analysis, and disclosure of medium term and short term power system security and reliability of supply prospects so that Registered Participants are properly informed to enable them to make decisions about supply, demand and outages of transmission networks in respect of periods up to 2 years in advance (or up to 3 years in advance, where specified)*

The key issue we consider is in the statement is “*so that Registered Participants are properly informed to enable them to make decisions*”. It's unclear to our members that the current consultation process is seeking to achieve this objective. Our members remain concerned by the very high levels of false positive LOR declarations and the move to more conservative inputs and assumption as well as the modelling process by AEMO. It's critical for the PASA process that timely and accurate information is provided to the Market.

The ST PASA replacement project has been on foot since 2019 and the most recent update from AEMO has stated it is targeting implementation in August 2026.¹ A key concern for stakeholders is whether the issues raised in this consultation (that have been passed to the STA PASA replacement project) will be considered on their merits as part of that project. The AEC and its members believe that it is critical that these issues move through to the replacement project.

With respect to unit recall times, the submissions have made it clear that AEMO needs to provide more clarification as to how the procedures will operate. To provide AEMO with some examples of detailed questions we have received from our members:

- If unit availability is partially limited (e.g. down 20MW) but is returning to full availability in 10 days, how would this be signalled to the market? MT PASA wouldn't capture the returning 20MW, only the recall period and

¹ <https://aemo.com.au/-/media/files/initiatives/st-pasa-replacement-project/2024-workshops/p1608-st-pasa-replacement-project---apr-2024.pdf?la=en>
<https://aemo.com.au/initiatives/trials-and-initiatives/st-pasa-replacement-project>

recall state. Can we, or are we required to, put in a recall period of 240 hours, which is above the 168 hours/ 7-day outlook? How does this relate to recall being defined as 72 hours for MT PASA as well?

- A 'null' entry for recall time – in our view this should mean it is not recallable. AEMO's earlier consultation document suggested if no recall period is entered, it will default to zero (i.e. be immediately available)
- How to bid in availability of less than an hour. Does rounding to whole hours mean inputs could be rounded down to zero?
- Specific examples of outages with different timeframes (i.e. a single day, a multi-day where the recall time changes throughout the outage, and a long-term outage). If AEMO can provide examples or a 'case study' I would find that useful.

The market needs certainty and the Procedures are not clear around frequency of updates – would the update still be needed, and

- Whether PASA availability and maximum availability would / should be the same.

As can be seen above, the Draft leaves participants in the dark. In the interests of market consultation, we think it would be helpful for the market if AEMO to arrange a workshop for stakeholders to allow for fuller consideration prior to AEMO making its final determination.

Any questions about our submission should be addressed to Peter Brook, by email to peter.brook@energycouncil.com.au or by telephone on (03) 9205 3103.

Yours sincerely,



Peter Brook

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Australian Energy Council