

19 May 2017

Mr Rob Jackson
Australian Electricity Market Operator
Level 22, 530 Colins Street
Melbourne VIC 3000

By electronic submission to rob.jackson@aemo.com.au

Dear Rob

Snowy Hydro (SHL) appreciates the opportunity to provide a submission to AEMOs consultation on the Market Ancillary Services Specification Review and Draft MASS 2017.

In general, Snowy Hydro believes the Draft MASS to be a good improvement on the existing MASS and in respect of this Snowy Hydro identifies the following opportunities for AEMO consideration:

Determining FCAS Capability

Snowy Hydro proposes that further clarity could be given to Service Providers if the MASS had a dedicated section identifying how FCAS capability is to be determined for each service.

Abandonment of FCAS Provision

Snowy Hydro proposes that further clarity could be given to Service Providers if the explanation currently contained within section 2.1.1 (Contingency Services) is separately identified within the Control Facilities sections of each associated FCAS service.

Snowy Hydro observes that the Draft MASS 2017 does not provide any guidance on how provision of FCAS should be abandoned if frequency has returned to the normal frequency band prior to the end of the FCAS provision period (i.e. step vs ramp vs ramp rate).

FCAS Recording

The draft MASS makes no distinction between when an FCAS service is enabled or not with regards to data recording facilities. The unanswered question being, if you are not enabled for provision of any FCAS service, are you required to record data even if frequency or df/dt falls outside relevant parameters?

Causer Pays

The draft MASS provides no clarity on the computation of causer pays. SHL identifies a number of issues for a Service Provider that has been enabled for provision of contingent FCAS:

- When a Service Provider detects and triggers a contingent FCAS response from its own frequency source, the frequency excursion detected may not be correspondingly observed as an FCAS event by AEMO (i.e. AEMO concludes the occurrence of contingent events via their own frequency source). The consequence results in the Service Provider being inadvertently penalised by causer pays
- When a Service Provider is enabled to provide Regulation FCAS services, the 4 second target provided by AEMO (made up of both energy and regulation FCAS) is held up for a number of seconds across the dispatch interval. The issue being that if the Service Provider is no longer enabled for provision of Regulation FCAS over the second interval, AEMO's 4 second target is held abnormally high/low for a significant amount of time until correction is applied and a step change to the target is provided. The consequence results in the Service Provider being inadvertently penalised by causer pays.

Clear Mark-up of changes to the MASS

SHL would like to see a clear mark-up of amendments to the MASS.

Please feel free to contact Greg Falconer - Manager - Engineering Systems and Support, if you have any questions relating to this submission.

Yours sincerely,



Kevin Ly
Head of Wholesale Regulation