

11 July 2017

Mr Glenn Gillin Australian Energy Market Operator GPO Box 2008 Melbourne VIC 2001

Submitted electronically: SRAS2018@aemo.com.au

Dear Mr Gillin

AEMO SRAS 2018 GUIDELINES CONSULTATION – ISSUES PAPER

Origin Energy Limited (Origin) welcomes the opportunity to comment on the SRAS guidelines proposed by AEMO to meet the system restart standard (SRS) from 1 July 2018.

SRAS Tests

AEMO have proposed within the draft guidelines to conduct at least two SRAS tests throughout a financial year, one of which will be conducted with not less than 24 hours' notice taking into account market and system conditions.

Origin believes that a 24 hour testing window is currently impractical due to a number of existing issues including:

- Rules compliance
- Co-ordination of third parties
- The level and extent of the tests to be employed
- Impact on and isolation of plant that are unrelated to the tests.

Under section 5.7.5 of the Rules a Registered Participant planning to test equipment related to a connection point, which requires changes to normal operation of that equipment, must give notice in writing to the relevant NSP at least 15 business days in advance. This requirement alone makes it impossible for participants to comply with the Rules and conduct a 24 hour test. AEMO should assess the types of tests that it would conduct under a 24 hour notice period and determine if it will infringe upon this Rules requirement.

This requirement further demonstrates that the testing of SRAS providers involves the co-ordination of multiple parties who need to be fully informed of their obligations and roles in any testing process. AEMO should provide a clear testing procedure for the proposed 24 hour test in the guidelines to ensure participants are fully aware of their obligations in meeting these conditions. This could include items such as required equipment, identification of affected third parties and the type of generator test that needs to be employed.

In Origin's experience isolating plant that is not part of the SRAS test requires extensive preparations to ensure in-service units are not affected. This often occurs several days in advance and ensures that correct procedures are followed and the risks of a unit trip are minimised. The time of year is also taken into consideration when conducting tests as the risks of a plant tripping or a reduction in station capability can increase given certain weather conditions. Origin notes that AEMO will have regard to market and system conditions and therefore encourages open collaboration with SRAS providers in determining the most appropriate time for a test. This would ensure that the impacts and risks to both participants and the NEM are minimised.

Reliability Factors - Weighting

A new addition to the SRAS guidelines is the incorporation of both individual and aggregate reliability factors for SRAS providers. These factors provide an additional comparison mechanism available to AEMO when determining the best overall SRAS contract provider for the upcoming contract period.

The weighting of each factor will play a key role in awarding contracts and Origin would welcome further detail on the proposed weighting that AEMO intends to employ in its evaluation process.

Electrical Sub Networks

Origin is comfortable with the current electrical sub-networks as they appear in the guidelines, especially the special requirement that 500MW of generation capacity north of Sydney within four hours of a major supply disruption with an aggregate reliability of at least 75%. We believe this recognises the importance of the Sydney region as an economic priority and enables a faster restoration of power across NSW from different geographic locations.

Should you have any questions or wish to discuss this information further, please contact James Googan on james.googan@originenergy.com.au or (02) 9503 5061.

Yours sincerely,

Steve Reid Manager, Wholesale Regulatory Policy