



26 September 2017

Mr Glenn Gillin
Australian Energy Market Operator
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Melbourne VIC 2001

Submitted electronically: SRAS2018@aemo.com.au

Dear Mr Gillin

AEMO SRAS 2018 GUIDELINES CONSULTATION – DRAFT REPORT AND DETERMINATION

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. Origin would like to commend AEMO on the thorough consultation process to date which has sought to achieve a balance between stakeholder feedback and meeting the SRS as mandated by the AEMC Reliability Panel.

SRAS Testing

Origin recognises the need for confidence in SRAS contractors to provide the restart services they are required to deliver, with little or no notice, in the event of a system black event. The testing of SRAS contractors forms a crucial part of this confidence.

AEMO have proposed within the draft determination to conduct at least one, and generally two tests of SRAS providers annually. These two tests have been specified as:

- Clause 4.2.2(b)(i); within 10 business days after a period of maintenance causing any major component of the SRAS Equipment or SRAS Transmission Components to be out of service for 7 days or more; and
- Clause 4.2.2(b)(ii) not more than once a year, at any other date and time nominated by AEMO on no less than 5 business days' notice to the SRAS Provider, subject to paragraph (c).

Origin has previously raised an issue with the notice period specified in Clause 4.2.2(b)(ii) and wish to reiterate our caution in applying a test that may place a registered participant in breach of the NEM Rules. 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.

Origin and other participants need to be assured that they are not in breach of the Rules when complying with Clause 4.2.2(b)(ii) under the proposed testing regime. It would be appropriate for AEMO to seek legal advice and/or written acknowledgment from the AER and provide it to participants to ensure they are not in breach of their obligations under the NEM Rules when complying with the test. An alternative course of action, if AEMO wanted to maintain the 5 business days' notice period, would be to submit a Rule change proposal to the AEMC, that seeks to adjust the notice period under Rule 5.7.5. However, Origin believes that this would have a number of unintended consequences including: risking delaying the implementation of the SRS standard by 1 July due to the length of time it takes to complete a rule change determination and change the TNSP notice periods for other types of work.

Clause 4.2.2(b)(i) allows AEMO to undertake an SRAS test if any type of maintenance is conducted that causes the SRAS Equipment to be out of service for 7 days or more. Origin contends that it is not the timeframe of the outage, but the type of the outage that should be considered. An AEMO SRAS test should only be warranted if the outage materially affects the performance of the SRAS equipment. For example, a piece of SRAS equipment could be out of service for 8 days (which would trigger a test), however the outage is unrelated to the performance of the unit and there has been no material change to the operating status of the SRAS equipment. Origin suggests that the wording should be changed to the following:

Clause 4.2.2(b)(i): within 10 business days after a period of maintenance that materially affects the performance of the SRAS Equipment or SRAS Transmission Components in consultation with the SRAS contractor.

Origin is satisfied with the proposed individual and aggregate reliability factors that are being employed to assess potential candidates for SRAS contracts. We believe this assessment will determine the best sources of SRAS to meet the system restart standard set by the AEMC Reliability Panel.

SRAS Agreement Proforma

AEMO has provided a draft SRAS Agreement Proforma which sets out the contractual obligations between an SRAS contractor and AEMO. Origin would like to highlight a number of issues under Chapter 6 (Tests) of the document.

Generally items 6.1 and 6.2 should reflect the final guidelines document produced by AEMO. This includes altering the two testing procedures if there are changes to the testing notice periods following the final round of consultation.

Under item 6.3, it is important for participants to be notified of test results by AEMO. Currently this item requires that participants provide a test report to AEMO within 15 business days of the test being conducted. However, there is no onus on AEMO to provide their assessment of the report and to inform participants of the outcome. This often leads to issues with SRAS contractors who are uncertain if their unit has passed or failed the test, including if follow up testing is required. Item 6.3 should require that AEMO report back to the SRAS contractor on the outcome of the test within 5 business days of receipting the test report.

This leads to further issues under item 6.5(b) which requires a repeat test to be conducted within 20 business days of the *original test*. Often a participant will submit their test results to AEMO and be unsure of when the results will be returned, this includes any areas that need to be rectified for future tests. As a result, it is difficult for participants to undertake appropriate repairs within a compressed and uncertain timeframe. Origin suggests that the repeat test should be undertaken within 20 business days *after receipt of the testing outcomes from AEMO*. This provides participants with confidence in knowing the timeframes they are required to meet when undertaking any changes required as part of a further SRAS test.

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
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