

Mr Alex Wonhas
Chief System Design and Engineering Officer
Australian Energy Market Operator

Via Email: energy.forecasting@aemo.com.au

31 October 2019

Dear Mr Wonhas

RE: Submission to the Interim Reliability Forecast Guidelines Consultation Paper

The Queensland Electricity Users Network (QEUN) appreciates the opportunity to provide a consumer perspective to the Interim Reliability Forecast Guidelines Consultation Paper released by the Australian Energy Market Operator (AEMO).

The QEUN is a consumer advocacy representing small business and residential consumers with a particular emphasis on regional consumers.

The QEUN is a regular participant in AEMO's Forecasting Reference Group (FRG) as it believes consumer participation is crucial to improve the accuracy of AEMO's demand forecasts. In particular AEMO's demand forecasts for small and medium size businesses that account for the majority of demand for NEM supplied electricity. We believe SME demand forecasts are a significant weak spot that AEMO urgently needs to address.

Australia is already experiencing an energy affordability crisis that is widening and deepening daily. If predictions of a slowing economy come to fruition the death spiral could accelerate quickly, significantly reducing the demand for NEM supplied electricity. It is therefore crucial for consumer advocates and other stakeholders to assist AEMO to improve the accuracy of AEMO's forecasts. More accurate forecasts will result in less costs being passed through to consumers through the unnecessary activation of the Retailer Reliability Obligation (RRO) and the Reliability and Emergency Reserve Trader (RERT).

We have concerns that without a more two way discussion between AEMO and stakeholders (in particular participants in the FRG) on topics that stakeholders believe can improve the reliability of AEMO's forecasts (eg the impact of game changing technology such as green hydrogen on the supply of dispatchable generation and the number of electric vehicles charged from NEM supplied electricity), there is a real risk that the RRO and RERT will be triggered causing over-investment in generation assets and a national electricity system that consumers cannot afford to use.

Consumer advocates and a wide range of stakeholders are highly reliant on the accuracy and timeliness of information provided by AEMO in forums, reports and on AEMO's website. The Electricity Statement of Opportunities (ESOO) has financial ramifications for consumers. As such we do not accept that a delay of 20 business days following the publication of the ESOO is acceptable for the publication of supporting data.

Thank you for the opportunity to provide a consumer perspective to the consultation paper.

Yours faithfully

A handwritten signature in blue ink that reads 'Jennifer Brownie'.

Jennifer Brownie
Coordinator