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Australian Energy Market Operator
GPO Box 2008
Melbourne VIC 3001

Submitted by email: wdr@aemo.com.au

Wholesale Demand Response Guidelines – Issues Paper

Origin Energy Limited (Origin) welcomes the opportunity to provide comments on the Australian Energy Market Operator's (AEMO) Wholesale Demand Response Guidelines Issues Paper. Our views on key aspects of the Issues Paper are provided below.

1. Guidelines scope and principles

- Additional principles: To guide the development (and any subsequent amendment) of the Guidelines, Origin considers AEMO should be required to have regard to:
 - the need to ensure adequate power system operation, and the maintenance of power system security and reliability of supply (as proposed in the Issues Paper);
 - the need to ensure consistency with obligations placed on other scheduled market participants, as far as practicable; and
 - the need for timely data provision.

2. Classification and aggregation of wholesale demand response units (WDRUs)

- Conditions for classification of a load as a WDRU: Origin is generally supportive of the proposed additional conditions set out under Table 2 of the Issues Paper. This includes the requirement that five-minute metering must be available at the connection point. For additional clarity:
 - there would be benefit in providing examples of what would constitute a spot price exposed load, consistent with the definition provided in the NER; and
 - the Guidelines should make clear the eligibility requirements with respect to the aggregation of small business customer NMI's (consistent with NERL/NERR requirements) and the process AEMO will undertake to confirm compliance with this requirement.

Consideration may also need to be given to whether there are any implications for life support arrangements associated with NMI's seeking to be classified as WDRUs.

- Aggregation of WDR units and power system security impacts: Origin agrees the Guidelines should set out the matters AEMO will consider when assessing the power system security impacts of aggregation, as well as a description of the changes to power system conditions that may necessitate disaggregation. With respect to the latter, it will be important for the Guidelines to clarify whether the potential for disaggregation is limited to WDRU aggregations with a capacity above the proposed 5 MW threshold, or all aggregations.

3. Telemetry and communications

- WDRU telemetry and communications requirements: Origin considers real-time telemetry/communications requirements should be consistent with those applying to generating units to the extent possible, and we broadly agree with the circumstances described by AEMO that would necessitate such requirements being met. We also agree it is appropriate for the Guidelines to reference the Power System Data Communications Standard. However, it may also be beneficial for the Guidelines to specify a set of minimum data points to be provided by WDRUs.
- Regional thresholds for increased visibility: The trigger for updating regional thresholds should be based on a periodic assessment of observed dispatch performance. The Guidelines may also need to address how AEMO would treat any concurrent registration applications that in combination would result in a breach of the threshold (e.g. would both providers be required to meet full telemetry/communications requirements in that instance?).

4. Developing and applying baseline methodologies

- Developing a baseline methodology: Providing AEMO with flexibility to assess new baseline methodologies submitted by proponents is appropriate. However, there should be a requirement for AEMO to transparently advise the proponent and other stakeholders of its proposed assessment/implementation plan and complete this process within a reasonable timeframe. We also agree the Guidelines should outline how AEMO will assess the costs/benefits of implementing a new baseline methodology.
- Applying a baseline methodology and settings to WDRUs: Origin is broadly supportive of the proposed process and timing for applying a baseline methodology.

5. Maximum responsive component (MRC)

- Origin is broadly supportive of the proposed process for nominating and updating NMI and DUID level MRCs.

If you wish to discuss any aspect of this submission further, please contact Shaun Cole at shaun.cole@originenergy.com.au or on 03 8665 7366.

Yours Sincerely,



Steve Reid
Group Manager, Regulatory Policy