

18 September 2020

Australian Energy Market Commission
PO Box A2449
Sydney South NSW 1235

Submitted by email to aemc@aemc.gov.au

Project number: REL0077

System restart standard review 2020

Snowy Hydro Limited welcomes the opportunity to comment on matters raised in the Consultation paper from the Reliability Panel (Panel) at the Australian Energy Market Commission (the Commission) on System restart standard review 2020.

Snowy Hydro considers the Panel's responsibility for determining, modifying and publishing the Standard, which guides the Australian Energy Market Operator's (AEMO) procurement of System Restart Ancillary Services (SRAS) from contracted SRAS providers as vital to the process. We strongly believe that the Standard should consider the costs that need to be balanced against diversity and the reliability of SRAS services.

There needs to be detailed realistic assessment that can be made appropriate to a range of technologies, both new and existing, so as SRAS can ensure the supply of electrical energy to generating unit auxiliaries occurs as reliably as possible.

The expanded definition of SRAS is expected to include black start services provided by facilities other than generating units and introducing system restoration support services as a new type of SRAS. With multiple services expected to be providing services this will increase the time and complexity of a restart, it is therefore important that the process remains simple and reliable. Increasing the complexity of existing service providers would likely lead inefficient outcomes for the market.

Snowy Hydro suggests that the Panel should in the first instance revise the Standard to include the full range of Restart Services and then understand if generation participants can respond to the expanded range of services in a reliable and cost efficient manner.

Rigorous testing of systems will increase confidence that services will perform when called on. Snowy Hydro therefore welcomes the framework for the physical testing of restart paths which clarifies the roles and responsibilities of AEMO, NSPs and affected participants in relation to this process.

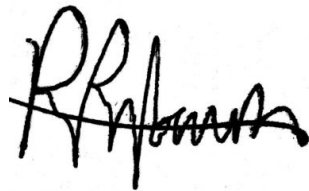
There are certain periods however when a hydro power station may not be able to shut down an asset to do testing. The Panel should be aware that whatever testing regime AEMO comes up with, it should be consistently applied across all technologies and geographical locations, whether it is an end-to-end test or not. In addition AEMO should hold SRAS testing for the minimum time necessary to mitigate against potential impacts from the market.

About the Snowy Hydro Group

Snowy Hydro Limited is a producer, supplier, trader and retailer of energy in the National Electricity Market (NEM) and a leading provider of risk management financial hedge contracts. We are an integrated energy company with more than 5,500 megawatts (MW) of generating capacity. We are one of Australia's largest renewable generators, the third largest generator by capacity and the fourth largest retailer in the NEM through our award-winning retail energy companies - Red Energy and Lumo Energy. Collectively, they retail gas and electricity in South Australia, Victoria, New South Wales, Queensland and the ACT to over 1 million customers.

Snowy Hydro appreciates the opportunity to respond to the Panel on the Consultation Paper on the System restart standard review 2020 and any questions about this submission should be addressed to panos.priftakis@snowyhydro.com.au.

Yours sincerely,

A handwritten signature in black ink, appearing to read 'P. Priftakis', written over a light blue circular stamp.

Panos Priftakis
Head of Wholesale Regulation
Snowy Hydro

