

9 May 2014

Mr Andrew Truswell
Director
Australian Energy Market Commission
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Dear Andrew

System Restart Ancillary Services (SRAS) consultation (ERC0168)

Grid Australia appreciates the opportunity to comment on the Australian Energy Market Commission's consolidated SRAS consultation.

The focus of this submission is on responding to the particular aspects and questions raised by the AEMC in the Consultation Paper that are most relevant for NEM electricity transmission businesses. These include: the allocation of SRAS responsibilities (including the role of the Reliability Panel), restoration timeframes, and minor and consequential issues.

SRAS Responsibilities

3.2 Would there be benefits in additional oversight of AEMO in its development of the various SRAS Guideline documents?

Grid Australia considers it is worth further exploring the oversight processes between the Reliability Panel and AEMO as to how AEMO conducts and develops its various SRAS Guideline documents. In particular, it would strengthen the independence of the procurement process for the Reliability Panel to be the 'final' body to assess whether AEMO has reasonably and adequately considered all the requirements of the System Restart Standard in its deliberations and decision-making processes in developing its Guidelines (e.g. in determining electrical sub-networks, need for diversity of sources and their strategic location).

Restoration Timeframes

5.1 Would there be any benefits associated with making the restoration targets in the SRS operational standards?

At present, it is understood that the timeframes specified in the System Restart Standard are for SRAS procurement purposes. The Generators' proposal is to make this an operational standard and a "hard target". However, it is not clear that the implications of such a move have been fully examined, and at this point a clear case for this has not been made given the potential costs, risks and implementation issues involved.

5.3 Are there likely to be any cost or implementation issues related to turning the restoration timeframes into operational standards?

Grid Australia considers that there will be definite impacts that have not at this point been fully identified. To support the SRAS processes, it would appear that TNSPs may have to undertake significantly more modelling, testing, and training to identify the best means to meet the standard operationally, under different event/ outage scenarios, for which they are not presently funded or sufficiently resourced.

5.4 Is AEMO's proposal to undertake transient or dynamic modelling of SRAS a relevant consideration? Would such modelling provide the market with improved certainty regarding the capacity of procured SRAS to restore power?

Additional modelling will allow TNSPs and other interested parties to have greater assurance of the feasibility of restoration plans and to identify specific issues that are not foreseen. However, it should be noted that AEMO's proposed modelling is likely to be limited to specific SRAS tender assessments and may not cover extending the system assessment to critical loads and other circumstances, etc.

Minor and consequential changes

In response to Question 10.1 (page 29), welcome clarity would be provided if AEMO's proposal that the National Electricity Rules explicitly state that SRAS is procured by AEMO and not TNSPs were implemented.

This should mitigate against any confusion in relation to TNSPs' ability to procure Network Support Control and Ancillary Services.

Should you require any further clarification on these matters, please feel free to contact, Dr Jahan Peiris, TransGrid's Manager-Operations Technical Support on (02) 9620 0884, or by e-mail: Jahan.Peiris@transgrid.com.au in the first instance.

Yours sincerely



Rainer Korte
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