

12 February 2021

Ms Merryn York
Acting Chair
Australian Energy Market Commission
GPO Box 2603
Sydney NSW 2000

Via online submission

Dear Ms York

RE ERC0304 - Enhancing operational resilience in relation to indistinct events Rule Change

TasNetworks welcomes the opportunity to respond to the Australian Energy Market Commission's (**AEMC's**) consultation on the rule change proposal, enhancing operational resilience in relation to indistinct events.

TasNetworks is the Transmission Network Service Provider (**TNSP**), Distribution Network Service Provider (**DNSP**) and Jurisdictional Planner in Tasmania. TasNetworks is also the proponent for Marinus Link, a new interconnector between Tasmania and Victoria. The focus in all of these roles is to deliver safe, secure and reliable electricity network services to Tasmanian and National Electricity Market (**NEM**) customers at the lowest sustainable prices. Therefore, TasNetworks supports any changes that ensure the safe, secure and reliable operation of the network following any type of event.

The need to introduce indistinct events for Australian Energy Market Operator (**AEMO**) to manage system security is not considered necessary. The existing contingency management framework (particularly the ability to declare non-credible contingencies as credible) and the protected event framework will manage standing indistinct events.

The proposed indistinct events process adds needless complexity.

The proposed "ad-hoc protected operation" presumes AEMO is able to manage system security without knowing the nature of contingencies. This is technically impossible. If the contingencies were known or specified so that adequate/optimum system security measures can be put in place, then the event is no longer indistinct. The key consideration for indistinct events should be an agreed treatment of the likelihood of the events between AEMO, NSPs

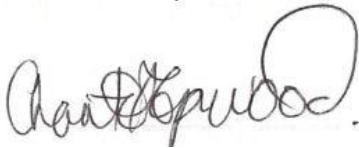
and generators. Examples that exist in the present protected and contingency event frameworks are South Australian weather protected event, bushfire, lightning and space weather.

Further, NSPs and generators can provide contingency plans for 'black swan' events (eg cyber intrusion) that describe the extent of asset loss or malfunction in a risk managed approach. AEMO formulates a resulting system security response based on this information and in collaboration with NSPs and generators in both the planning and real-time domains.

This rule change has the potential to add complexity to power system operation and decision making which is not in the best interests of customers.

Should you have any questions, please contact Tim Astley, Network Reform and Regulatory Compliance Team Leader, via email (tim.astley@tasnetworks.com.au) or by phone on (03) 6271 6151.

Yours sincerely

A handwritten signature in black ink, appearing to read 'Chantal Hopwood', with a large, stylized flourish at the end.

Chantal Hopwood

Leader Regulation