

3 July 2020

Australian Energy Market Operator

Submitted via email: sras.consultation.2020@aemo.com.au

Attention: System Restart Ancillary Services Guideline 2020 Consultation Team

System Restart Ancillary Services (SRAS) Guideline 2020

Stanwell Corporation Limited (Stanwell) appreciates the opportunity to provide feedback on Australian Energy Market Operator's (AEMO's) proposed amendments to the SRAS Guideline 2020 (Guidelines) and is supportive of amendments that provide clarification on the provision of SRAS.

Our responses to the questions posed in section 4 of the Issues Paper are based on our experience as a synchronous thermal generation SRAS Provider and relate to our existing portfolio of assets. Stanwell has not undertaken a review of the Guidelines from the perspective of new or emerging technologies.

This submission contains the views of Stanwell in relation to the draft Guidelines provided to date and should not be construed as being indicative or representative of Queensland Government policy.

1. Black Start Service

AEMO asks stakeholders to consider whether the proposed amendments provide adequate guidance on the technical requirements for a black start service.

Stanwell considers that the amendment of the SRAS Description and black start service Capability, along with new clauses 3.3 (f) to (k) of the Guidelines are appropriately prescriptive of the characteristic of the service. However, further clarification about clause 3.3 (g) could be provided. Clause 3.3 (g) refers to a specific voltage range of 90 per cent to 110 per cent which is beyond the range of typical Automatic Voltage Regulators (AVR). The location at which this range is applicable is not specified. It would be preferable for the range and location to be flexible, and left subject to agreement with AEMO.

2. Restoration Support Service

AEMO asks stakeholders to consider whether the proposed amendments provide adequate guidance on the technical requirements for restoration support services.

Stanwell welcomes the inclusions of restoration support services under the umbrella of SRAS noting the valuable contribution such services would make to restoration of the power system, whilst not providing actual black start capability. Stanwell considers

clauses 3.4.1 and 3.4.2 as broadly appropriate but notes that the following amendments would improve the Guidelines.

Based on discussions during the SRAS forum on 24 June 2020, it was evident that both traditional and new technology participants recognised that more prescriptive guidelines as to how restoration support services in clause 3.4.2 would operate would be welcomed. For example, clause 3.4.2 (d) provides that a *stabilising load* may provide restoration support services. It is unclear from the Guidelines what might constitute a *stabilising load* and clarification as to how those loads would provide support services would be welcomed. The basis for and operation of the requirement in clause 3.4.2 that a restoration support service must provide two or more of the specified attributes would also be informative.

Under clause 1.3.1 the definition of an SRAS Provider specifies that only a Generator can be an SRAS Provider. Given the intention of the rule changes, Guidelines and forum discussion, the definition needs to be updated to include restoration support service providers.

Clarification about eligibility and how a network service provider (NSP) could provide restoration support services through the Guidelines is also recommended if the intention is to broaden the scope of SRAS Providers in this manner.

3. SRAS Procurement Objective

AEMO asks stakeholders to consider whether the factors described in section 6(c) and (d) of the draft SRAS Guideline are appropriate considerations in meeting the requirements of the SRAS Procurement Objective.

Stanwell considers that factors described in section 6 (c) and (d) of the Guidelines as broadly appropriate considerations in meeting the SRAS Procurement Objective; to acquire system restart ancillary services to meet the system restart standard at the lowest cost. Noting that a procurement process and objective developed to achieve the greatest net benefit for both consumers and generators would be preferential.

It was acknowledged by participants during the SRAS forum on 24 June 2020 that SRAS Agreements need to reflect the intention of the rule changes and SRAS Procurement Guidelines. For example, a combination of restoration support services and black start services, potentially owned or operated by different participants, could be captured as one generating system under a single SRAS agreement.

Stanwell would welcome industry engagement to reflect on the contractual mechanisms to ensure that when a combination of services and increased diversification of technologies is procured, the response in the event of a major disruption, assessed through simulation and testing, is improved and that obligations and liabilities are appropriately allocated under the agreements.

4. New system restart testing regime

AEMO asks stakeholders to consider whether the draft SRAS Guideline, including Appendix B, provides sufficient guidance on the requirements under the Amending Rule for the new testing regime.

As an existing SRAS service provider, Stanwell has informally and voluntarily participated in restart path physical trials in the past helping to ensure the feasibility and performance both of its own and the NSP's equipment, and to validate AEMO's restart plans. Stanwell

welcomes the proposed rule 4.3.6 allowing for compensation of third-party participants during test regimes and the introduction of a formal framework supporting the physical testing of restoration beyond the contracted SRAS delivery points.

Stanwell acknowledges the difficulty and potential impacts and hopes that these inclusions will facilitate more comprehensive and realistic testing. Stanwell considers that Appendix B adequately covers the requirement for physical restart path testing if the following recommendations are incorporated:

- A provision clarifying that a test in which an SRAS provider delivers at a delivery point, but which fails beyond the SRAS delivery point, should not be deemed a failed test for purposes of compensation under an SRAS agreement.
- Appendix B should recognise that high speed monitoring equipment may exist at either or both the participant's facility and NSP's facility. Installation of new equipment in existing facilities should not be mandated by the Guidelines.

5. Differences between test procedures and actual restart procedures

AEMO asks stakeholders to consider whether any additional changes to the SRAS Guideline are needed to facilitate identification of differences between test procedures and actual restart procedures, or other improvements or clarification in relation to testing.

Stanwell supports the clear separation between SRAS testing and System Restart Path testing requirements and procedures. Recommendations for improvements and clarification in relation to testing include:

- Clause 4.3.2(b)(i), specifying a materiality threshold for work on SRAS equipment that would require a test should better equip existing and new participants to understand obligations and costs of providing services.
- Including a provision that would allow for AEMO and the SRAS Providers to agree to waive a test based on materiality of the maintenance work undertaken and the potential implications on market conditions. Stanwell acknowledges that clause 4.3.2(c)(ii) provides for reasonable request of the SRAS Provider and the TNSP in relation to scheduling to be considered. However, because clause 4.3.2(c)(iv) only requires a formal notice to be provided only to the TNSP 15 business days in advance of the test date, and a no less than 5 business days' notice to an SRAS Provider (4.3.2(b)(ii)), the ability to make a reasonable request under 4.3.2(c)(ii) is diminished.

Stanwell acknowledges that under live conditions SRAS Providers must be able to provide SRAS services when required, however by including a provision to waive a test it would provide AEMO, TNSP and SRAS Providers additional opportunity to assess the value and cost of a test.

- Appendix A, table A1 item 2a potentially requires the installation of high-speed transient monitoring equipment that may not exist at some facilities but, maybe covered by similar equipment in adjacent NSP facilities. It is recommended that this should be acknowledged as a substitute.
- Appendix A, table A1 item 6 refers to a "connection point transformer". Further clarification as to which transformer this is referring to is required.

6. Queensland sub-networks

AEMO requests stakeholder views on the potential consolidation of the two existing Queensland sub-networks.

During the SRAS Forum on 24 June 2020, some of the risks associated with moving to a single network structure in Queensland were identified. In order to understand if there are material benefits by consolidating the existing two sub-network structure in Queensland, further in-depth investigation and industry consultation would be welcomed.

Stanwell welcomes the opportunity to further discuss the matters outlined in this submission. Please contact Jennifer Nielsen on (07) 3228 4155.

Yours sincerely,



Ian Chapman
Manager Market Policy and Regulatory Strategy