

26 Reddacliff Street, Newstead QLD 4006 GPO Box 1461, Brisbane QLD 4001

ergon.com.au

Part of Energy Queensland

3 March 2022

Ms Anna Collyer Chair Australian Energy Market Commission GPO Box 2603 SYDNEY NSW 2000

Dear Ms Collyer

ERC0038 Enhancing information on generator availability in MT PASA

Ergon Energy Queensland Pty Ltd (Ergon Energy Retail) welcomes the opportunity to provide comment to the Australian Energy Market Commission (AEMC) on its consultation on *Enhancing information on generator availability in MT PASA.*

Ergon Energy Retail generally supports the proposal from the Australian Energy Market Operator (AEMO) to improve the amount of information generators are required to provide to inform the medium-term projected assessment of system adequacy (MT PASA) to increase the transparency of information available to the market.

Under existing arrangements only planned outages, current forced outages and nominated return to service times are published in the MT PASA report titled "MTPASA_DUIDAVAILABILITY". To inform an estimate of future Dispatchable Unit Identifier (DUID) availability, participants have to assess DUID's operating history to determine patterns in outages and seasonal shutdowns and refer to planned outage information reported in MT PASA. A significant amount of time is required to gather this information.

However, the lack of detailed information around the availability of generators is complicating the ability for participants to accurately forecast future conditions and is leading to overestimations in the levels of available generation and reliability within the three-year time period. Further, since short term PASA only captures the availability of aggregated DUID for one to two weeks ahead, this is not useful for longer term hedging to enable participants to protect against future lack of generation and reliability.

As such, Ergon Energy Retail considers that more detailed explanation as to why a DUID is not available for service would greatly improve transparency and assist participants in their forecasting. Ergon Energy Retail therefore supports the proposed requirement to provide a more detailed explanation through 'reason codes' to communicate to the market why a DUID is not available for service.

However, we consider this should be extended to include more reasons such as whether a unit's performance is subject to seasonal adjustment. Further, we note that recall times may be of limited benefit in some circumstances and suggest that the proposed information requirements could be improved with the provision of a date when the DUID is expected to be returned to service. As an alternative, the AEMC could require generators to nominate a range of dates with different indicators of likelihood of return to service by each date.

Ergon Energy Retail expects the proposal could provide the following benefits:

- Retailers would have a more reliable picture of generator availability to cover their forecast demand and more effectively plan to meet any forecast shortage of generation
- Generators would be able to assess the nature of each other's outages and modify their plans to remove units from service (if possible) to ensure there is sufficient generation availability in reserve to meet forecast demand
- More transparency over MT PASA forecast availability should allow more reserve to be available for periods of high demand and therefore help reduce regional pool market volatility.

As the market progresses through the transition towards greater penetrations of renewable generation, the operating patterns of thermal generators will continue to evolve as they attempt to remain commercially viable. Consequently, Ergon Energy Retail and other market participants will spend more time analysing data to respond to these market dynamics. As such, more information about each generator's availability will enable better monitoring, forecasting availability, system reserve and hedging during this period of transition in the energy market and to ensure compliance with the Retailer Reliability Obligation.

Should you require additional information or wish to discuss any aspect of this submission, please contact either myself on 0409 239 883 or Andrea Wold on 0428 384 448

Yours sincerely

Sarah Williamson

Sarah Williamson Acting Manager Regulation

Telephone: 0409 239 883 Email: sarah.williamson@energyq.com.au