



7 July 2022

Anna Collyer
Chair
Australian Energy Market Commission

Lodged online: www.aemc.gov.au

Dear Ms Collyer,

ENHANCING INFORMATION ON GENERATOR AVAILABILITY IN MT PASA – DRAFT DETERMINATION

Origin Energy Limited (Origin) welcomes the opportunity to provide feedback to the AEMC on the draft determination for the *Enhancing information on generator availability in MT PASA* rule change.

Origin supports the intent of the draft rule which requires generators to report unit status and estimated recall times when submitting MT PASA inputs, and for AEMO to publish this information. The draft rule could address any potential concerns over the status and recallability of plant.

However, we do not support the draft decision to require unit status and recall time reporting for the entire 36-month MT PASA outlook. In our submission to the AEMC's Consultation Paper, we highlighted that participants are unable to confidently schedule the mothballing or temporary commercial withdrawal of units more than one year ahead, given changing market dynamics. In response, the AEMC noted that under the draft rule participants only needed to provide information about current intentions and best estimates.¹

Origin maintains that mothballing and commercial withdrawal decisions are dictated by a myriad of factors² that can be highly variable and unpredictable, particularly over longer time horizons. Therefore, any estimates of unit status and recall times beyond 12 months will likely be subject to a high degree of uncertainty and hence offer limited value. Additionally, this runs the risk of sending inaccurate signals to AEMO and the broader market, undermining assessments of future system supply.

Under the draft rule, AEMO, in consultation with stakeholders, will be responsible for revising its Reliability Standard Implementation Guidelines (RSIG) to provide much of the key detail associated with the proposed changes. Origin supports this approach.

In terms of implementation, we note that updates to the RSIG and MT PASA process description must be finalised by 30 April 2023. Participants then have around five months to make the required changes to systems and processes ahead of the commencement of the rule on 9 October 2023. Origin considers these timeframes are adequate.

¹ AEMC, *Enhancing information on generator availability in MT PASA – draft determination*, p. 47.

² Including, but not limited to: weather, international fuel prices, shifts in consumer demand, government policy decisions, unexpected outages and participants' commercial decisions.

Should you have any questions or wish to discuss this submission further, please contact Thomas Lozanov at thomas.lozanov@originenergy.com.au.

Yours sincerely,

A handwritten signature in blue ink, consisting of a series of connected loops and a vertical line at the end, resembling the name 'Steve Reid'.

Steve Reid
Group Manager, Regulatory Policy