

8 February 2024



**EnergyAustralia**

LIGHT THE WAY

Ms Shannon Culic  
Australian Energy Market Commission  
PO Box A2449  
SYDNEY SOUTH NSW 1235

Lodged electronically: via website

Dear Ms Culic

**Enhancing Reserve Information – Draft Determination  
(ERC0295)**

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EnergyAustralia (EA) is one of Australia's largest energy companies with around 2.4million electricity and gas accounts in NSW, Victoria, Queensland, South Australia, and the Australian Capital Territory. We own, contract, and operate a diversified energy generation portfolio spanning coal, gas, battery storage, demand response, solar, and wind assets. Combined, these assets comprise over 5GWs of generation capacity.

EnergyAustralia appreciates the opportunity to provide feedback to the AEMC's Enhancing Reserve Information rule change. We are supportive of the revised rule change and as noted previously, we support the AEMC's position not to implement an operating reserves market. EA agrees that creation of the market in today's environment would not deliver material performance improvements or cost efficient delivery to the long term benefit of consumers.

EA recognises the desire and market value to improve the transparency of targeted information from energy storage and energy limited plant - focusing on flexibility and durability. Assets providing these characteristics to market, and importantly their reserve status will become more critical as the volumes of grid connected renewables and non-scheduled generation grows. We are therefore broadly supportive of the AEMC's revised focus in this rule change.

EA supports valuing reserves during the transition, particularly state of charge (SoC) and maximum storage capacity information. Greater visibility will also provide other operators with a better indication of market circumstances, enabling them to respond to any potential event quickly as appropriate. We also agree that to combat concerns around asset identification, SoC information should be provided post trading day until sufficient competition has built up in each region. In our view it is difficult to say definitively that July 2027 provides a suitable date to move towards close-to-real-time SOC information. Rather we suggest that instead of fixing a date, AEMO should have suitable flexibility to assess energy storage registrations and apply this requirement via market notice at an appropriate time but no earlier than July 2027 (i.e. the AEMC's recommended date). AEMO's market notice should provide participants with at least six months notice.

We remain concerned with the publication of available energy from thermal units, especial from coal, recognising that very few of these assets remain in market and publishing any additional information would cross commercial sensitivity and could put its operations and grid stability at risk. However, we accept the AEMC's position to

publish daily energy constraints on an aggregated by region basis on the understanding that all energy limited technologies are aggregated together. In our view, this overarching aggregation position is not clear in the draft determination and we recommend the AEMC clarify its position in the final determination.

With respect to the proposal around changes to regional and sub-regional FCAS procurement, we remain of the view that there is no issue for the AEMC to consider at this stage, or if one exists, the problem and solution requires further definition. We therefore support the AEMC's position that this issue should not be progressed through this rule change.

If you would like to discuss this submission, please contact me on 0422 399 181 or [Dan.Mascarenhas@energyaustralia.com.au](mailto:Dan.Mascarenhas@energyaustralia.com.au).

Regards

**Dan Mascarenhas**  
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