



12 February 2024

Anna Collyer
Chair
Australian Energy Market Commission
PO Box A2449
Sydney South NSW 1235

Submitted online at: www.aemc.gov.au

Dear Ms Collyer

Enhancing Reserve Information – Draft Determination

Origin Energy Limited (Origin) welcomes the opportunity to provide comment on the Australian Energy Market Commission's (AEMC) *Enhancing Reserve Information Draft Determination* (the Draft Determination).

Origin recognises the in-principle benefits of a well-designed Operating Reserve Market (ORM), which was initially proposed to provide greater visibility of market participants' reserve decisions by explicitly separating the procurement and delivery of reserve services from energy and ancillary services markets. However, we note the AEMC's decision, and the predominant view of stakeholders, that the reform would unlikely be in the long-term interest of consumers.

In lieu of an ORM, the AEMC Draft Determination has proposed measures to increase the level of transparency around energy limited plant, which includes the publication of information relating to battery state of charge. This is intended to allow AEMO and market participants to better assess when reserves are needed through the transition.

Origin is generally supportive of pursuing incremental reforms of this nature where they can assist with reducing forecast uncertainty and supporting efficient market operations. However, we note the risk highlighted by the AEMC that there is a potential for anti-competitive behaviour associated with increased supply-side information.¹ Having regard to this:

- we agree with the AEMC's view that daily-energy constraint information for scheduled plant types (excluding batteries) should be aggregated by region to avoid revealing individual participant's energy constraints; and
- while the AEMC has proposed to delay the release of real-time state-of-charge information for battery participants until July 2027, the transitional arrangements should be extended further if, by that time, there is insufficient regional aggregation to ensure that individual participant information is not inadvertently revealed or otherwise able to be easily identified.

Outside of the above, we agree with the draft recommendation to consider sub-regional frequency control ancillary services (FCAS) through a separate rule change, given the potential technical, regulatory, and practical complexities associated with the proposal.

¹ AEMC, 'Enhancing Reserve Information – Draft rule Determination', 21 December 2023, Pg. 25.

If you wish to discuss any aspect of this submission further, please contact Steve Williams at steve.williams@originenergy.com.au or on 0409870998.

Yours Sincerely,

A handwritten signature in black ink that reads "S Cole". The "S" is large and stylized, and "Cole" is written in a cursive script.

Shaun Cole
Group Manager, Regulatory Policy