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Mr Tom Meares
Project Leader
Australian Energy Market Commission

Submitted via the AEMC Website

ERC0332 – Updating the ST PASA – Consultation

Alinta Energy welcomes the opportunity to respond to the Commission's consultation paper on the 'Updating the Short Term PASA' rule change request. As an active investor in energy markets across Australia, we own and contract a generation portfolio of nearly 3,000MW and provide retail energy supply to more than 1.1 million electricity and gas customers.

In response to the ongoing NEM market transition, Alinta Energy supports the evolution of the ST PASA framework to account for better forecasting and market information from a wider range of participants. The emergence of new business models and the increase in the number of active market participants requires a refocused approach to ST PASA to preserve confidence and stability in AEMO's forecasting frameworks.

Alinta Energy therefore broadly supports the intention of the rule change request, including:

- elevating the ST PASA into the National Electricity Rules (NER);
- setting a ST PASA objective as described;
- publish the ST PASA daily;
- amending NER Clause 3.7.3(e) to reference Registered Participants¹; and
- moving towards a principles-based approach as long as it doesn't remove any existing PASA benefit.

We emphasise that any adaptations to the ST PASA system should provide the general flexibilities AEMO require to improve their forecasts, but it must also maintain consistency in its approach to avoid unnecessary participant confusion.

Alinta Energy also has a few concerns with the proposal which we request the AEMC to consider further:

- single ST PASA Procedure consultation process – moving to one point of engagement with stakeholders presents a significant risk to the ongoing stability and confidence in ST PASA reporting. We note that there is a tradeoff between speed/flexibility and PASA completeness which must be balanced. We therefore prefer the ST PASA Procedure amendment process include two consultation steps, however we would accept 'a *minimum of one consultation*' as long as no material stakeholder issues were raised and

¹ As long as the AEMC is satisfied doing so does not create any other unintended consequences in the NER.

a suitable transparent approach to governance was embedded into the Procedure.

In addition, any implementation changes captured by the procedures must ensure that participants have a suitable amount of time to modify their systems (as necessary) commensurate with the amendment. Lastly, the NER must clearly define what constitutes a '*minor or administrative change*' in relation to the ST PASA Procedure, clearly outlining the proposed flexibilities provided to AEMO to make changes '*without complying with the Rules consultation procedures*'.²

- Modifying the definition of 'PASA Availability' – Alinta Energy is unclear why AEMO has proposed a change to the recall period, replacing the 24-hour requirement with a range of recall times. AEMO's recall system is difficult to use and the current operational manual is complex and confusing. We encourage the AEMC to seek further information outlining why this change is necessary. In addition, AEMO should redevelop their manual and set up periodic stakeholder briefing sessions to explain their system to participants.

Should you wish to discuss our views further, please contact me on 0475 943 365 or at Dan.Mascarenhas@alintaenergy.com.au.

Yours Sincerely

Dan Mascarenhas
Wholesale Regulatory Manager

² [https://www.aemc.gov.au/sites/default/files/documents/erc0332 - updating_st_pasa - _consult_paper.pdf](https://www.aemc.gov.au/sites/default/files/documents/erc0332_-_updating_st_pasa_-_consult_paper.pdf) page 15