



20/02/2020

Mitchell Shannon
Australian Energy Market Commission (AEMC)
Level 6, 201 Elizabeth Street
NSW 2000

Via electronic lodgement

Dear Mitchell,

Re - System restart services, standards and testing: ERC0278

Mondo appreciates the opportunity to comment on the AEMC's System Restart Services, Standards and Testing draft determination paper.

Mondo provides a variety of contracted transmission and distribution services, including grid connections for new generators, battery energy storage systems and aggregation of distributed energy resources.

Mondo is broadly comfortable with the draft determination, and supports the objective of ensuring that technologies other than traditional generators are able to participate in the provision of system restart ancillary services (SRAS). Mondo has provided specific comment on two points, as outlined below.

Definition of SRAS

Mondo supports the AEMC draft decision to amend the Rules definition of SRAS to refer to both black start capability and system restoration support services. Mondo also supports the amendments to the black start capability definition to allow for this capability to be provided by both generating units and other facilities. Mondo notes the AEMC draft decision to not include a definition of system restoration support services in the Rules, preferring that this be contained in AEMO's SRAS Guidelines.

Mondo accepts that having the definition of system restoration support services in the SRAS Guidelines rather than the Rules would facilitate any definitional changes that may be required. However, this draft decision creates an unusual governance arrangement whereby the definition of SRAS now refers to two different capabilities - one of which (black start capability) is defined in the Rules, whilst the other (System Restart Support Services) is defined outside the Rules.

Bright future.

Mondo maintains the view that a better governance outcome would be achieved if both Black Start Capability and System Restart Support Services were defined in one document – preferably the Rules. A Rules definition of System Restart Support Services could be written in such a way that it described the service at a high level only, leaving the detail to be outlined in the SRAS Guidelines. This should overcome the AEMC concern that the detail should be able to be changed without recourse to a Rule change.

Provision of SRAS by NSPs

The draft determination notes that TNSPs would generally provide system restoration support services, as part of their normal operations, and that this would already form part of their prescribed transmission services. Accordingly, the expanded definition of SRAS under the draft rule does not include services provided by NSPs.

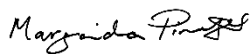
Mondo agrees that in a restart situation, TNSPs would make all services that they have available to AEMO to facilitate effective system restart in the most timely and effective manner possible. There are however a few open questions regarding TNSPs incentives to facilitate procurement of such capability, and the extent to which AEMO would account for TNSP capabilities when procuring System Restart Support Services.

For example, suppose that AEMO determined that it required a certain level of frequency control service in a region to facilitate system restoration. If the TNSP had grid connected batteries that were capable of providing frequency control, then presumably AEMO would take that into account when deciding how much (if any) frequency service it needed to procure from other participants.

This would mean that the amount of service that AEMO subsequently procured would be a function of the TNSPs capability. When TNSPs install batteries for network support purposes, should they then give regard to System Restoration Support Services? TNSPs building this capability into their equipment would seem to be desirable, but at the same time, it would restrict the market opportunity for other market participants to provide these services competitively. Mondo would appreciate the AEMC viewpoint on these issues in their final determination.

Mondo hopes that the comments contained in this submission are of assistance to the AEMC in its deliberations on this consultation. Please do not hesitate to contact Chris Deague on 0417 549 583 or by email at chris.deague@mondo.com.au if you have any further inquiries.

Yours sincerely



Margarida Pimentel

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