



8/01/2020

Joel Aulbury
Australian Energy Market Commission (AEMC)
Level 6, 201 Elizabeth Street
NSW 2000

Via electronic lodgement

Dear Joel,

Re – Improving transparency and extending duration of MT PASA: ERC0270

Mondo appreciates the opportunity to comment on the AEMC’s Draft Determination on Improving Transparency and Extending Duration of MT PASA.

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.

Overall, Mondo supports the proposals in the draft determination, and is also supportive of the supplementary comments provided by ERM in their interim submission dated 22 November. Set out below are our specific comments for each of the separate proposals contained in the rule change proposal.

Individual generating unit availability

The proposal would move from the current approach of publishing only aggregated generation availability data, to an approach that identifies individual generating unit outages in the MTPASA time frame. Mondo agrees that the current approach does create an information asymmetry, as it is more difficult for smaller businesses to devote resources to identifying the details, whereas this would be relatively achievable for larger businesses.

Mondo appreciates the analysis carried out by the AEMC and its consultants on whether the proposed changes could increase the exercise of coordinated market power or collusion. The relevant issues were

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carefully considered and the conclusion reached that publishing of unit-level generation availability is unlikely to increase the risk of collusion appears to be sound.

For these reasons, Mondo supports the changes as proposed.

Three year MTPASA duration

The rule change includes a proposal to increase the duration of MTPASA from the current two years to three years. Mondo agrees with the conclusions reached in the draft determination that extending the MTPASA out to three years will enable participants to be better informed of the supply reliability outlook over a period relevant to investment and planning decisions, thus allowing more efficient resource allocation and improved supply reliability. These improvements are likely to result in lower overall costs to consumers.

Mondo supports this proposal.

Generator forced outage data

The proponent has argued that the MTPASA calculations rely on generator forced outage assumptions which result in variations in available generation capacity across the simulations. This in turn leads to a lack of transparency. The proposal is to publish maximum and minimum aggregated scheduled generating availability, adjusted for forced outage assumptions.

Mondo agrees with the AEMC's conclusions that this change will improve the transparency and quality of information to participants, and will also promote reliability of the power system by allowing for more efficient scheduling of planned maintenance. Mondo supports this proposal.

Include intending generation availability

As noted in the draft determination, it is currently somewhat unclear whether new generation projects are included in the MTPASA outlook. Mondo supports the AEMC draft determination for the Rules to require AEMO to include proposed generation in the MT PASA, consistent with the ESOO information requirements.

90 percent POE demand forecast

The draft determination decision not to require publication of the 90 percent probability of exceedance forecast is supported, noting that AEMO no longer prepare this forecast for the ESOO, and also noting ERM's Interim Submission which also acknowledges this point.

Format for forecast and actual demand

Mondo agrees that the current practice of publishing MTPASA forecast demand data 'as sent out', and actual demand data 'as generated', creates a difficulty in comparing forecast with actual demand data. Mondo therefore supports the draft determination to require AEMO to align the forecast and actual demand data formats.

Frequency of demand forecast updates

Although the generator input data is updated each week, the MTPASA demand forecast data is only updated each year. The proposed changes seek to increase the frequency with which demand forecasts are updated. The proponents Interim Submission provided further clarification that they are seeking only that AEMO update the demand forecast data when they become aware of a material change.

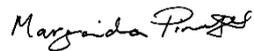
Mondo supports the draft determination conclusion that the Rules are adequate in requiring AEMO to update the demand forecast when material new information becomes available.

Current intentions and best estimates

Mondo supports the proposal to introduce a requirement on market participants to provide information for the MT PASA on a current intentions and best estimates basis as it achieves consistency with the ESOO process, and improves confidence in the MTPASA outputs.

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 either myself or Chris Deague on chris.deague@mondo.com.au, or phone 0417 549 583 if you have any further inquiries.

Yours sincerely



Margarida Pimentel

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