



AGL Energy Limited
ABN: 74 115 061 375
Level 24, 200 George St
Sydney NSW 2000
Locked Bag 1837
St Leonards NSW 2065
t: 02 9921 2999
f: 02 9921 2552
agl.com.au

Mr Joel Aulbury
Australian Energy Market Commission
PO Box A2449
Sydney South NSW 1235

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Dear Joel,

ERC0270 Improving transparency and extending the duration of MT PASA

AGL Energy (**AGL**) welcomes the opportunity to comment on the Australian Energy Market Commission's (**AEMC**) Draft rule determination on improving transparency and extending the duration of the medium-term projected assessment of system adequacy (**MT PASA**). AGL has also considered ERM Power's interim submission to the draft rule in preparing this submission.

AGL is one of Australia's leading integrated energy companies and the largest ASX listed owner, operator and developer of renewable generation. Our diverse power generation portfolio includes base, peaking and intermediate generation plants, spread across traditional thermal generation as well as renewable sources. AGL is also a significant retailer of energy and provides energy solutions to over 3.7 million customers in New South Wales, Victoria, Queensland, Western Australia and South Australia.

The MT PASA is a critical tool for understanding the expected state of the national electricity market (**NEM**). For the Australian Energy Market Operator (**AEMO**), the MT PASA facilitates an assessment of whether the reliability standard will be met, and therefore whether the Reliability and Emergency Reserve Trader (**RERT**) may be triggered. For the broader market, MT PASA assists with asset maintenance planning and potentially informs investment decisions.

The AEMC's draft rule would increase transparency of the MT PASA process and extend the MT PASA duration to three years. AGL is broadly supportive of the draft rule determination and offers the following comments on key elements of the draft rule.

Publication of generation availability

The draft rule proposes to require AEMO to publish scheduled generating unit availability information at the dispatchable unit identifier (**DUID**) level. The AEMC's view is that this will improve the transparency and the accuracy of information regarding the supply side of the NEM.

AGL appreciates that some stakeholders are concerned about the commercial risks of publishing this information. Our view is that provided all scheduled generating units are subject to the same requirement, the playing field is levelled.

From a practical perspective, equivalent information has been publicly available in New Zealand for several years without issue. Accordingly, we support this element of the draft rule.



MT PASA duration

The draft rule extends the MT PASA's duration from two to three years, with the intended effect of improving information transparency and promoting power system reliability. AGL has no specific concerns with extending the MT PASA outlook, but notes that the quality of information a generator can provide may decline over a longer time horizon.

AGL has considered what benefits, if any, could flow from the draft rule. We refer to our submission to the Consultation Paper, where we noted the potential for the extended MT PASA to potentially inform whether the Retailer Reliability Obligation (**RRO**) is triggered. At present, the RRO can be triggered where AEMO forecasts a reliability shortfall in the Electricity Statement of Opportunities (**ESOO**). AGL remains of the view that the MT PASA's live measure of unit availability could provide a helpful reference point to more 'static' ES00 forecasts.

Current intentions and best estimates

The draft rule gives effect to a proposal from the Australian Energy Regulator (**AER**) requiring information submitted to the MT PASA process to represent the Registered Participant's current intentions and best estimates. This would bring MT PASA information in line with ES00 information requirements. AGL considers that participants' MT PASA submissions should already be meeting such a standard. Accordingly, we support this element of the draft rule.

ERM Power's interim submission suggests that a further requirement be placed on participants to provide a reason when making an MT PASA submission. AGL is unable to discern any benefit to this proposal and would simply increase the workload for traders. It has been suggested that to minimise any increased workload, there could be a selection of pre-filled categories, with common reasons such as 'planned outage' and 'adjustment to planned outage'. Even so, AGL does not consider that this is likely to assist AEMO or other stakeholders.

If you have any queries about this submission, please contact Liz Gharghori on (03) 8633 6723 or lgharghori@agl.com.au.

Yours sincerely,

Chris Streets

Senior Manager Energy Markets Regulation