



3 September 2021

Ben Blake
Australian Energy Market Operator
Submitted online to: ben.blake@aemo.com.au

Dear Ben

Submission: 2021 Congestion Information Resource guidelines draft determination

CS Energy welcomes the opportunity to provide a submission to the Australian Energy Market Operator's (**AEMO's**) *Draft Determination – Congestion Information Resource (CIR)* guidelines (the Guidelines).

About CS Energy

CS Energy is a Queensland energy company that generates and sells electricity in the National Electricity Market (**NEM**). CS Energy owns and operates the Kogan Creek and Callide B coal-fired power stations and has a 50% share in the Callide C station (which it also operates). CS Energy sells electricity into the NEM from these power stations, as well as electricity generated by other power stations that CS Energy holds the trading rights to.

CS Energy also operates a retail business, offering retail contracts to large commercial and industrial users in Queensland, and is part of the South-East Queensland retail market through our joint venture with Alinta Energy.

CS Energy is 100 percent owned by the Queensland government.

Key recommendations

CS Energy is strongly supportive of the CIR and considers it and its related documents as key education instruments in the NEM as well as a mechanism for transparency in understanding and anticipating outcomes delivered by constraints and associated processes in the NEM.

The CIR's importance and value is expected to increase as the proposed market reforms are developed and implemented including the development of mechanisms to incorporate Essential System Services (**ESS**) into the NEM Dispatch Engine (**NEMDE**). When coupled with the proposed network development detailed in the Integrated System Plan (**ISP**) and individual jurisdictional network projects, the CIR will provide a critical information reference

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for Participants in developing an understanding and insight to NEMDE constraint actions and outcomes. Key areas include, but not limited to, Constraint Congestion Management (**CCM**) and Settlement Residue Management (**SRM**).

CS Energy is supportive of the matters and proposals raised in the Energy Australia¹ and Shell² first stage submissions and as detailed in the CIR Guidelines Draft Report and Determination, Appendix B³. The incorporation of the proposals by AEMO will enhance the value of the CIR. Specifically, CS Energy:

- Requests that AEMO ensure that the proposed High Impact Outages (**HIO**) definition in the CIR is consistent with the HIO definition in the AEMO SO_OP Outage Assessment procedure⁴ in Section 7; and
- Is disappointed that AEMO has not embraced the Shell proposal to make available to Participants a replica of the network mimic panel used in the AEMO control rooms. In CS Energy's view, AEMO's reasons for rejecting the proposal require further justification:
 - The network mimic panel provides the status of network elements and associated power flows that are utilised in NEMDE and published in the public domain and includes actual interconnector flows on a five-minute dispatch interval resolution. The information AEMO has declared to be confidential is in several currently available proprietary commercial applications. This also counters the security concern expressed by AEMO; and
 - The provision of Market Notices and Network Outage Scheduler (**NOS**) would be complimentary to the visibility of the network mimic panel and the prevailing technical envelope that also overcomes any time delays in issuing the Market Notices or NOS updates. If the application was accessible through the AEMO Portal that includes a real-time bidding application, it should address AEMO's security concerns.

CS Energy requests AEMO to reconsider its decision on this subject.

The emergence of ESS will in some cases result in the utilisation of constraints to give effect to the final market mechanism for services such as system strength and inertia. Currently services such as inertia are embedded in the AEMO Constraint Implementation Guidelines (**CIG**)⁵. As the ESS reform has commenced it is important that each of the services is categorised explicitly rather than being embedded in the CIG. In addition to the categorisation of the service, it should be codified how the service will be represented in the constraint and how it reconciles with the limit advice provided the Network Service Provider (**NSP**). This level of information will provide the appropriate level of detail and transparency to enable Participants to understand the constraint formulation for that service and subsequent constraint action when invoked in NEMDE.

¹ https://aemo.com.au/-/media/files/stakeholder_consultation/consultations/aemo-engagement-model/congestion-information-resource-guidelines/energyaustralia.pdf?la=en

² https://aemo.com.au/-/media/files/stakeholder_consultation/consultations/aemo-engagement-model/congestion-information-resource-guidelines/shell-energy.pdf?la=en

³ https://aemo.com.au/-/media/files/stakeholder_consultation/consultations/aemo-engagement-model/congestion-information-resource-guidelines/congestion-information-resource-guidelines-2021---draft.pdf?la=en

⁴ https://aemo.com.au/-/media/files/electricity/nem/security_and_reliability/power_system_ops/procedures/so_op_3718-outage-assessment.pdf?la=en

⁵ https://aemo.com.au/-/media/files/electricity/nem/security_and_reliability/congestion-information/2016/constraint-implementation-guidelines.pdf

If you would like to discuss this submission, please contact Henry Gorniak (Market and Power System Specialist) on 0418 380 432 or hgorniak@csenergy.com.au.

Yours sincerely

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