

20 September 2023



Mr Daniel Westerman
Chief Executive Officer
Australian Energy Market Operator
GPO Box 2008
MELBOURNE VIC 3001

Email: gpsrr@aemo.com.au

Dear Mr Westerman

2024 GPSRR Approach Paper - Draft

Energy Queensland Limited (Energy Queensland) welcomes the opportunity to provide feedback to the Australian Energy Market Operator (AEMO) in response to its consultation on the *2024 GPSRR Approach Paper – Draft* (Approach Paper).

The attached submission is provided by Energy Queensland, on behalf of its related entities, including:

- Distribution network service providers, Energex Limited and Ergon Energy Corporation Limited;
- Regional service delivery retailer, Ergon Energy Queensland Pty Ltd; and
- Affiliated contestable business, Yurika Pty Ltd and its subsidiaries, including Metering Dynamics Pty Ltd trading as Yurika Metering.

Should AEMO require additional information or wish to discuss any aspect of this submission, please contact me on 0429 394 855 or Laura Males on 0429 954 346.

Yours sincerely

A handwritten signature in blue ink that reads "Alena Christmas".

Alena Christmas
Acting Manager Regulation

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Encl: *Energy Queensland comments to the Approach Paper questions.*

AEMO Question	Section	Energy Queensland response
1. Is it appropriate to apply the 2022 ISP Step Change scenario to assess future power system risks?	Section 2.2	Yes. Energy Queensland notes that the December 2023 release of the Draft 2024 Integrated System Plan (ISP) will be considered for the 2024 General Power System Risk Review (GPSRR) and any material changes incorporated. As such, we consider it is reasonable to utilise the 2022 ISP step change scenario to assess future power system risks at the present time. It is noted that major state-based roadmap changes including the Queensland Energy and Jobs Plan and the Victorian offshore wind programs/policies were announced after the 2022 ISP was released.
2. What are stakeholder views regarding the risk assessment approach that has been applied for the 2024 GPSRR?	Section 3.2	Energy Queensland makes no comment.
3. What are stakeholder views on how to effectively consider risks where the impact is difficult to define as part of the 2024 GPSRR?	Section 3.4	<p>To effectively consider risks as part of the 2024 GPSRR (Section 3.4), Energy Queensland is supportive of further analysis. Specifically, the consideration of communications risks, whether accidental or malicious disruption, and the consequent implications on generation dispatch and curtailment. We are also interested in any strategic measures required to address these, including holistic assessment of existing and planned remedial schemes.</p> <p>We also support further analysis of restart methodologies and consideration of the preferred approach for remote areas and would welcome collaboration between AEMO and network service providers.</p>

4. Are there any priority UFLS contingency events that stakeholders believe should be considered in the 2024 GPSRR?

Section 3.5

Energy Queensland suggests the following issues may warrant further consideration:

- **Closure of Eraring**

Although included in the forecast assessments, the closure of the Eraring Power Station appears to be considered with limited information/generic assumptions (based on the 2023 GPSRR Report) on the basis that detailed risk analysis was not available from Transgrid.

Energy Queensland also notes that the closure of Eraring will be considered in 'future studies'. We suggest greater clarity is required as to what this means, particularly given that the risk analysis is undertaken over a 'short term', that is, one to two year and a five-year time horizon.

In our view, it is important that the Eraring closure and alternative scenarios be incorporated in full as part of the 2024 GPSRR so that market participants have sufficient information to plan future investment and operational requirements.

- **Battery Energy Storage Systems (BESS) operations**

Energy Queensland notes that the Approach Paper indicates that if BESS models are not available, the GPSRR will utilise 'generic' models. However, in this category only thermal and pumped hydro energy storage plant generic models are specifically named/identified. We suggest that in situations where models are unavailable, the operation of BESS may be oversimplified and would appreciate clarity from AEMO.

		<ul style="list-style-type: none">• <i>Distributed Energy Resources (DER) operations</i> Energy Queensland notes that issues related to distributed energy resources¹ (DER) (particularly battery operations) are considered on a limited basis. Further, the Approach Paper suggests that some of the DER related voltage/rate of change of frequency (RoCoF) issues are ‘out of scope’ and while the 2024 GPSRR will comment on these issues on a qualitative basis, a detailed assessment of this growing supply source may not be able to feature in the 2024 GPSRR. Energy Queensland also suggests it is unclear whether the forecasts out to 2028-2029 consider scenarios where distributed system operator models start to become active in the distributed network service provider ecosystem. In our view, this is not evident from the 2023 GPSRR. We note these may contribute to material band variations/floor-ceiling RoCoF levels compared to those which adopt a current state ‘system normal’ national electricity market model as described in the Approach Paper.• <i>Scenarios</i> The 2024 GPSRR will consider whether forecast scenario/s need to be updated upon the release of the Draft 2024 ISP in December 2023. Energy Queensland suggests the ability to incorporate additional material contingency events that occur up to December 2023.
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¹ The current National Electricity Rules, relevant Guidelines and standards refer to distributed energy resources (DER), we therefore use this terminology throughout this response, rather than consumer energy resources (CER).

5. What are stakeholder views regarding the priority risks proposed to be considered as part of the 2024 GPSRR, including any proposed changes to the events or the methodology for assessment?	Section 3.5	Energy Queensland makes no comment.
6. What are stakeholder views regarding the proposed modelling approach for the priority risks for assessment in the 2024 GPSRR?	Section 4	Energy Queensland notes the use of short-term half hourly load forecasts is specified as an input. It is unclear in the Approach Paper where or how five-minute profiles are utilised and become relevant for the purposes of this risk modelling.
7. What are stakeholder views regarding the proposed risk cost assessment methodology to be applied in 2024 GPSRR?	Section 5	Energy Queensland makes no comment.
8. Does the proposed consultation approach meet stakeholder expectations and do stakeholders have any suggestions on how AEMO could best engage with industry on the 2024 GPSRR?	Section 1	Energy Queensland makes no comment.
Other feedback		
Outage of Callide Power Station		Energy Queensland notes that the 2023 GPSRR and the 2024 Approach Paper do not mention any event related to Callide Power Station. We would appreciate confirmation if AEMO deemed there were sufficient mitigations to be available across the system within a reasonable timeframe.
Small-scale market suspensions		Energy Queensland also notes that there have been some smaller-scale market suspensions earlier in 2023 (e.g., New South Wales in March due to Supervisory Control and Data Acquisition failure) which are not mentioned in the Approach Paper.