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Australian Competition and Consumer Commission

Lodged via online form.

**DRAFT DETERMINATION – AUSTRALIAN ENERGY MARKET OPERATOR (AEMO)
COORDINATION AND INFORMATION SHARING FOR THE PURPOSE OF SCHEDULING
SYSTEM WORKS IN THE NATIONAL ELECTRICITY MARKET (NEM) (AA1000643)**

Powerlink Queensland (Powerlink) welcomes the opportunity to provide feedback on the Draft Determination on AEMO's request for authorisation for the coordination between AEMO and current and future AEMO Industry Participants on the scheduling of System Works (including associated information sharing).

We acknowledge the information drawn upon in the authorised coordination sessions (AEMO Coordination Forum) is available to participants in various existing market systems. However, the AEMO Coordination Forum has provided Powerlink with important contextual information that has identified opportunities for outage facilitation more readily through these multi-lateral discussions than could be interpreted in isolation from disparate data sources.

The authorised coordination sessions have allowed us to co-optimize planned works on the transmission network in a manner that has improved the efficiency and resilience of power supply for customers in Queensland, contributing to a wide public benefit. It has allowed transmission works to be scheduled at the same time as generation outages. The rescheduling of these transmission outages avoided circumstances that would have otherwise caused congestion constraints and at times we have altered field works practice approaches to support system risk. The AEMO Coordination Forum has also provided an opportunity to share confidence levels in conjunction with the static data in existing market systems that otherwise would not have contributed to risk evaluations of works coordination.

We have defined processes for coordinating outages with customers that either impact on generation or are impacted by generation outages. These occur at the scheduling initiation stage six to 13 months prior to works. However, the coordination meetings have been beneficial for Powerlink where outage rescheduling occurs, outages are extended due to onsite constraints and where short-notice forced outages have been leveraged for benefit of both the transmission network and generator to give an overall positive benefit to customers and avoid further market impacts.

As noted in the Draft Determination, the energy transition is rapidly changing the dynamic of power flows on the energy system. This is challenging the traditional approaches used to schedule system works between Transmission Network Service Providers (TNSPs) and generation participants and should be considered akin to the unprecedented short-term impacts that initially gave rise to the AEMO Coordination Forum.

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We acknowledge the future capabilities of AEMO that have been identified in the recent Medium Term (MT) Projected Assessment of System Adequacy (PASA) changes and the Short Term (ST) PASA changes scheduled for 31 July 2025. However, these collectively only contribute to visibility within individual data sources and not to a broader context that can inform coordination of system works to improve power system resilience for customers. As noted in the Energy Networks Australia submission on for the Draft Determination for the Improving Security Frameworks for the Energy Transition Rule change process, the rule change is complex and challenging to implement and we do not consider the Draft Rule will contribute further contextual information to support the coordination of system works. Therefore, we consider AEMO's recently gained and soon to be implemented additional information gathering powers and public reporting obligations will not provide equivalent contextual information to the support of scheduling system works that has been available through the AEMO Coordination Forum.

Powerlink is responsible for the coordination of safe access to the transmission network for system works to be conducted. This is a complex safety-critical process that determines the isolation points under switching protocols. The context of understanding access requirements, field works practices and the risk of works being recalled under AEMO directions is critical to ensure a rapid recovery of network elements can occur when the system is under duress.

We conduct this technical assessment of switching protocol adequacy in the context of system resilience and surplus capacity. Where the context of system availability risk is known, alternate access methods and works practices can be used to minimise risk, notwithstanding an assessment of rescheduling works. In the most severe circumstances, this can mean transitioning from a de-energised works practice removing an element from service to a live work method requiring the coordination of limited and critical transmission resources. This is often assessed after the multi-lateral context is provided in the forum and prior to works being conducted.

In the absence of a multi-lateral forum, we may not have the contextual information to empower a more efficient and effective decision for broader NEM outcomes. A bilateral framework, where AEMO would be relied upon to identify co-optimisation opportunities, would impose higher costs on AEMO, and ultimately all customers, and likely result in fewer coordination opportunities being identified. Furthermore, AEMO may not fully understand the capability of a TNSP to adapt its field-based approach to system works.

Powerlink considers that the AEMO Coordination Forum has provided value to Queensland electricity customers through the coordination of system works. We also consider the current forum structure, permitted under the interim authorisation, provides a cost-effective method for achieving efficient co-optimisation of system works scheduling.

In the absence of multi-lateral forums for coordinating system works, we may seek to develop an alternate process to allow us to continue leveraging co-optimisation opportunities. This may involve investments in software to achieve the same level of visibility across data sets, and resources to hold direct participant discussions which will add to the costs to deliver transmission services to Queenslanders. If similar activities are replicated across the NEM, this is likely to impose higher costs on electricity customers than if the AEMO Coordination Forum were to continue.

Powerlink considers the interim authorisation provides sufficient safeguards to electricity customers so that the coordination would not lessen competition in wholesale electricity markets and for the acquisition of maintenance services. In particular, we anticipate the presence of a competition lawyer in these meetings will deter conduct that would be detrimental to the performance of downstream markets and focus the discussions solely on the efficient coordination of system works across the NEM.

If you have any questions regarding this submission or would like to meet with Powerlink to discuss this matter further, please contact me on [REDACTED] or email [REDACTED].

Yours sincerely,

[REDACTED]

Emma Rogers

GENERAL MANAGER, STRATEGIC NETWORK OPERATIONS