

06 February 2018

Ms Anne Pearson  
Chief Executive  
Australian Energy Market Commission  
PO Box A2449  
Sydney South NSW 1235

Attention: Mischa Vickas

### **Australian Energy Market Operator's (AEMO) Rule change proposal - System Restart Plan release provisions - Consultation Paper (ERC0228)**

Energy Networks Australia welcomes the opportunity to provide a submission to the Australian Energy Market Commission's (AEMC) Consultation Paper on AEMO's rule change proposal on System Restart Plan release provisions issued on 9 January 2018.

Energy Networks Australia is the national industry body representing businesses operating Australia's electricity transmission and distribution and gas distribution networks. Member businesses provide energy to virtually every household and business in Australia.

Energy Networks Australia supports the overall intention of the rule change proposal regarding System Restart Plan release provisions, lodged by AEMO. In particular, we would like to highlight our strong endorsement of enhanced communications to existing system restart processes during times of heightened stress, as well as the appropriate changes proposed to the confidentiality obligations for AEMO and other parties under both the National Electricity Law (NEL) and National Electricity Rules (NER).

In particular, Energy Networks Australia and our associated members support:

- » The provision of express authority is given to AEMO to disclose system restart plans to the specified parties including Network Service Providers, System Restart Ancillary Service providing generators, Jurisdictional System Security Co-ordinators, Responsible Officers and Designated Officers.

We propose that the AEMC consider ensuring that its final rule determination clearly defines and provides easy understanding of the roles of all parties at each stage of the process, in line with the Finkel Panel's 2017 Final Report recommendation 2.4 that:

*"AEMO should make sure black system restart plans clearly identify roles at each stage and includes regular testing of equipment and processes".*

This is particularly relevant for clarifying the roles of Responsible Officers and Designated Officers in some NEM jurisdictions. This is especially pertinent where:

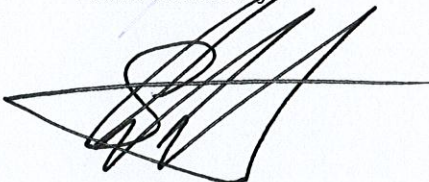
- » The intended purpose of disclosing all or part of a System Restart Plan (SRP) for preparing for, and participating in, system restoration activities at appropriate levels and to all necessary parties, and
- » The development of one or more AEMO SRPs *where appropriate* (e.g. where some restart facilities are in a different region or sub-region) makes operational and technical sense.

However, Energy Networks Australia also recommends that:

- » The AEMC does not establish obligations that force AEMO to provide SRPs to market bodies or other parties that have no operational value in implementing or operationalising such SRPs. It is our considered view that:
  - There is no requirement for AEMC Reliability Panel involvement 'on the day' of any restoration event;
  - It will minimise the potential for national security and commercial risks by increasing the number of parties to whom information could be provided, and
  - It removes any requirement for energy sector representatives on the AEMC Reliability Panel to manage 'potential conflict of interest' concerns.
- » In implementing and distributing such SRPs, AEMO recognises the potential for any national security breaches or disclosure of commercially sensitive information and disseminate these SRPs to relevant parties, to minimise such opportunities from arising.
- » A protocol be established by AEMO that outlines when SRPs should be shared, with whom, and under what circumstances. This proposed protocol should also articulate when it is more appropriate to share partial SRPs rather than full SRPs. It should also include a requirement that any confidential information received should continue to be treated as confidential and not shared with any other party.

Should you have any additional queries, please contact Norman Jip, Energy Network Australia's Senior Program Manager - Transmission on (02) 6272 1521 or [njip@energynetworks.com.au](mailto:njip@energynetworks.com.au).

Yours sincerely



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