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Australian Energy Market Operator

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ST PASA Procedure and related documents consultation

AGL Energy (AGL) welcomes the opportunity to respond to the Australian Energy Market Operator (AEMO) ST PASA Procedure and related documents consultation

About AGL

Proudly Australian for more than 185 years, AGL supplies around 4.5 million energy and telecommunications customer services. AGL is committed to providing our customers simple, fair, and accessible essential services as they decarbonise and electrify the way they live, work, and move.

AGL operates Australia's largest private electricity generation portfolio within the National Electricity Market (NEM), comprising coal and gas-fired generation, renewable energy sources such as wind, hydro and solar, batteries and other firming technology, and gas production and storage assets. We are building on our history as one of Australia's leading private investors in renewable energy to now lead the business of transition to a lower emissions, affordable and smart energy future in line with the goals of our Climate Transition Action Plan.

Uncertainty around ST PASA changes

AGL notes AEMO has proposed several changes following the AEMC Amending Rule. While the latest proposal does not include any material changes to the existing procedures for the preparation of ST PASA, we consider it is unclear what changes will be incorporated in the future as part of AEMO's ST PASA Replacement Project. AGL requests further clarity regarding this project; specifically, whether the issues identified by stakeholders during the latest series of consultations will be addressed and the planned timing of the project.

Submission of generator recall times

We note the reporting of recall period for scheduled resources is currently optional; however, we are concerned this reporting process could be made mandatory in the future. Such a requirement would be extremely onerous for traders and site operations, with little additional benefit. We consider the current process whereby information is provided under existing ST PASA bids, with extra information either provided upon AEMO request or by generators if there is a change to the return to service time for a unit, has proven to be effective and does not need to be changed.

Lack of clarity

We consider the ST PASA procedure would benefit from more clarity on what exactly is required from market participants and when. Additional examples illustrating a range of scenarios would be beneficial.

Further clarity should be provided around reporting of recall times of less than an hour. We note AEMO has stated recall times should be reported to the nearest whole hour. We consider the procedure should clearly clarify whether recall times of less than an hour should be rounded up to an hour.

We consider a stakeholder workshop facilitated by AEMO, before publication of the final determination for this consultation, would best assist in providing clarity to some of these issues.

Engineering, technology & environmental considerations

The submission of recall times will primarily depend on the technology-type of the generating resource e.g. coal-fired, gas, hydro, solar, wind, battery etc. in addition to factors like weather.



For example, for thermal-based generation such as gas, the longer the unit is off, the colder it gets. Consequently, the colder the unit gets, the longer the recall time on the unit. As the unit cools or warms, the recall time will continue to change. This type of information is not currently collected and doing so would be administratively burdensome as it would be in constant flux.

Weather conditions will also affect recall times, particularly ambient temperature. As weather conditions vary throughout the day, recall times will continue to change.

[Administrative burden](#)

We note existing bidding systems will need to be modified to accommodate the submission of recall times. Filling out updated recall times for every instance there is a change to generator conditions will be very onerous. It will require frequent communication with generator operations and trading teams. A single change to generator timings would cascade across a range of bidding system inputs. The additional administrative burden would equate to a material ongoing resourcing requirement.

We consider AEMO should provide further clarification around the intended use of generator recall information. If a mandatory reporting requirement were to be explored, we strongly recommend AEMO conduct cost-benefit analysis and clearly articulate how the benefits outweigh the costs given the potential for significant administrative burden on market participants.

If you have queries about this submission, please contact Alif Rahman at ARahman3@agl.com.au.

Yours sincerely,

Chris Streets

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