

25 November 2020

Graham Mills
Advisor
Australian Energy Market Commission



Submitted online

Dear Mr Mills,

Submission to System Restart Standard review

The Public Interest Advocacy Centre (PIAC) is an independent, non-profit legal centre based in New South Wales. Established in 1982, PIAC tackles systemic issues that have a significant impact upon people who are marginalised and facing disadvantage. We ensure basic rights are enjoyed across the community through litigation, public policy development, communication and training. The Energy + Water Consumers' Advocacy Program represents the interests of low-income and other residential consumers, developing policy and advocating in energy and water markets.

PIAC reiterates our support for expanding the range of providers of System Restart Ancillary Services (SRAS).

We consider it short-sighted, however, to continue to rule out interconnectors as possible SRAS sources to complement the currently eligible providers. We disagree with the assumptions that:

- networks should not provide services that could be provided contestably,
- a system restart would involve multiple NEM regions all losing supply and hence interconnector supply being unavailable, and
- it would be too complicated to use or arrange appropriate payment.

This position falls short of promoting the long-term interests of consumers with the most efficient investment and operation of the energy system. We note that in the South Australian system black event in 2016, the system was reenergised by interconnectors rather than the procured SRAS sources.

PIAC looks forward to this being examined in more detail in the next review of the Standard. Before it commences, we recommend the AEMC begins early work on how interconnectors could be incorporated as eligible SRAS sources including any changes necessary to the current modelling and procurement processes.

Continued engagement

PIAC would welcome the opportunity to meet with the AEMC and other stakeholders to discuss these issues in more depth.

Yours sincerely,

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