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**Australian Energy Market Operator**

**Power System Model Guidelines**

Via email: [ModelGuidelines@aemo.com.au](mailto:ModelGuidelines@aemo.com.au)

**1 June 2018**

**Submission to Power System Model Guidelines**

AGL Energy (**AGL**) welcomes the opportunity to comment on AEMOs draft Power System Model Guidelines (Guidelines)

AGL is one of Australia's leading integrated energy companies and the largest ASX listed owner, operator, and developer of renewable generation. Our diverse power generation portfolio includes base, peaking and intermediate generation plants, spread across traditional thermal generation as well as renewable sources. AGL is also a significant retailer of energy and provides energy solutions to over 3.5 million customers in New South Wales, Victoria, Queensland, Western Australia, and South Australia.

A key concern with the draft Guidelines relates to the timing proposed by AEMO for provision of PSCAD models under various circumstances as outlined in section 2.1. While the provision of the relevant models as part of a generation connection application, or potentially a modification to existing plant, can be incorporated into a projects timeline, the requirement to provide models for existing plant under the requirements in 2.1(a) and (b) are likely to be problematic in many instances.

PSCAD modelling is a new requirement, with a limited pool of modelling experts available for assisting with the preparation of the relevant models. Where a PSCAD model has not already been developed for an existing generator that it would not be possible to comply with the request to provide the model within 15 or 20 business days. Recent experience in seeking the development of a PSCAD model for existing plant has required months of commercial negotiations, information sharing and testing of model outcomes.

In the AEMC Rule Change process relating to Generator System Models, concerns with the potential for AEMO to request PSCAD models for existing plant and thus imposing additional costs on those generators was a key point of discussion. The AEMC sought to introduce a test to ensure that such models would only be requested, and thus developed, based on a specific set of conditions being met. The draft Guidelines would result in generators potentially being forced to develop PSCAD models for all existing plant in order to be able to comply with the proposed timings – whether or not the AEMCs test had been met.

We would suggest that the hard deadlines for the relevant requirements were replaced with an ability for AEMO and the relevant generator to agree to a time under which the required model would be developed and provided to AEMO. In some cases, where PSCAD models were already available for affected plant, the timings could be along the lines of those proposed in the draft Guideline. In other more complex cases, relating to larger, more complex, exiting generators (particularly where OEMs are no longer in operation) this timeframe may need to be longer.



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The approach outlined under the draft Guidelines is likely to cause a large amount of additional expenditure on modelling for all plant within the NEM, without appropriate consideration of whether the conditions set out by the AEMC were met. We consider this is contrary to the intention behind the Rule as made by the AEMC and likely to add significant cost that would ultimately be borne by end-use customers.

If you have any queries about this submission, please contact Chris Streets on (03) 8633 6758 or [CStreets@agl.com.au](mailto:CStreets@agl.com.au).

Yours sincerely,

Chris Streets

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