Our Ref: D11/111432
Your Ref: REL0045

2 December 2011

The Reliability Panel
Australian Energy Market Commission
PO Box A2449

SYDNEY SOUTH NSW 1235

Dear Sir

RE: Issues Paper – System Restart Standard

As the owner and operator of the electricity transmission system in Tasmania, Transend welcomes the opportunity to respond to the Australian Energy Market Commission's Issues Paper on the System Restart Standard.

Transend has responses in respect of questions 1 and 4 only.

Q1 How to achieve consistency with the SRAS objective?

The value provided to the market by SRAS can be measured by comparing the improvement in restoration time to achieve the % supply capability thresholds of the restart standard with and without the service. This improvement in restoration time can be used to calculate the unserved energy and its value.

Transend has identified a high cost component of SRAS. Indeed, this hurdle may be insurmountable for a Registered Participant contemplating a primary restart service that utilises NSP assets to form a 'restart path' between generators offering the primary SRAS.

For example, if the generator offering the primary service is at a different network location to the specified generator, use of NSP assets are required to connect the generators to achieve the primary restart service. In a system restart scenario, it is reasonable to assume that the NSP asset can be made available to connect the two generators. In a black start event, the generators may in fact have exclusive use of the asset until the restart is progressed sufficiently to when that corridor is deployed for a shared purpose.

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The mandated testing regime requires the primary SRAS provider to demonstrate its ability to deliver the service under normal network conditions when the restart path is utilised for a shared purpose. To dedicate this restart path for the exclusive use of the SRAS provider(s) is likely not to be practical for the NSP without affecting supply reliability or security of the network.

The options available in this circumstance are:

1) Accept the negative impact on reliability/security.
2) Provide compensation for the loss of supply to affected parties for the duration of the test.
3) Build additional plant to enable exclusive use for SRAS testing during normal network conditions, the costs of which borne by the provider of the service.

Option 1 is not acceptable to the NSP.

Options 2 or 3 are likely to be high cost if they are viable in the first place.

Transend proposes that the testing regime for primary SRAS allow for occasions when a restart path is not being available for testing and demonstration. Rigorous network studies can be substituted for this part of the test. The initiating generator is still tested for its black start capability. The specified generator is tested for its ability to start with its restart supply sourced from the shared network but mimicking the proposed SRAS supply as closely as possible.

Where a restart path is found that can be dedicated to the SRAS test under normal conditions, Transend supports the proposed test regime. Transend notes that additional costs are likely to be imposed on the SRAS by the NSP providing this negotiable service to account for risk and liability.

Question 4:

Transend supports the advice provided by AEMO to the Panel in regard to the target timeframe to restore supply. Transend also view the purpose of the interim system restart standard is to guide the acquisition of system restart ancillary services and considers that a more relaxed standard can extend the restoration times following a major supply disruption. Transend considers the timeframes in the interim standard appropriate.

Yours sincerely

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