
OFFICIAL

From: Tony Snell <[REDACTED]>
Sent: Thursday, 6 April 2023 6:52 PM
To: David Hatfield <david.hatfield@acc.gov.au>
Cc: Mark Stedwell <[REDACTED]>; Matthew Clemow <[REDACTED]>
Subject: AEMO authorisation AA1000618-1: report for the period 24 March 2023 – 6 April 2023

Dear David

We refer to condition 1 of the authorisation granted by the ACCC on 14 November 2022 (**Authorisation**) and the reporting protocol in Schedule 1 of the Authorisation. Set out below is AEMO's report for the period 24 March 2023 – 6 April 2023 (**Reporting Period**).

This report can be published on the public register.

The risk of insufficient supply to meet demand and the risk of instability in networks have been driven by the Current Market Conditions described in in paragraph 1.1 of the application for the Authorisation. This includes:

1. the Ukraine conflict, which has resulted in a reduction in availability and an increase in the price of gas and coal used for thermal electricity generators
2. the impact of high rainfall and floods in New South Wales and Queensland
3. extreme and/or unusual weather conditions
4. a significant number of planned and unplanned outages
5. the impact of the COVID-19 pandemic on specialised labour and global supply chains
6. delays and deferral of some maintenance during the last two years

The following conduct that relies on the Authorisation was engaged in during the Reporting Period:

1. A meeting between AEMO, Origin, Delta Electricity, AGL and Transgrid was held on Friday 31 March 2023 at 9am (as observed by an ACCC representative). The purpose of the meeting was to discuss forecasted supply and demand and any potential issues that may arise in relation to maintenance or scheduled outages in New South Wales, and the resources required, in light of the Current Market Conditions (including COVID-19). AEMO shared information about generator availability and loss of load probability. The participants shared information relating to the timing of proposed maintenance (including unplanned maintenance), the skills required and any potential disruptions to planned maintenance.
2. A meeting between AEMO, AusNet Services, Department of Energy, Environment and Climate Action (Victoria) (**DEECA**), AGL, EnergyAustralia and Origin was held on Friday 31 March 2023 at 10am (as observed by an ACCC representative). The purpose of the meeting was to discuss forecasted supply and demand and any potential issues that may arise in relation to maintenance or scheduled outages in Victoria, and the resources required, in light of the Current Market Conditions (including COVID-19). AEMO shared information about generator availability and loss of load probability. The participants shared any updated

information relating to the timing of proposed maintenance (including unplanned maintenance), the skills required and any potential disruptions to planned maintenance. DEECA also provided an update.

3. A meeting between AEMO, Department of Energy and Public Works (**DEPW**), Stanwell, Powerlink and Clean Co was held on Friday 31 March 2023 at 11am (as observed by an ACCC representative). The purpose of the meeting was to discuss forecasted supply and demand and any potential issues that may arise in relation to maintenance or scheduled outages in Queensland, and the resources required, in light of the Current Market Conditions (including COVID-19). AEMO shared information about generator availability and loss of load probability. The participants shared information relating to the timing of proposed maintenance (including unplanned maintenance), the skills required and any potential disruptions to planned maintenance. DEPW also provided an update.

AEMO intends to hold meetings under the Authorisation on Friday 14 April 2023 at 9am, 10am and 11am between electricity generators and transmission companies in NSW, Victoria and Queensland (respectively). Details of the attendees and agenda will be provided to the ACCC separately. If AEMO intends to hold additional meetings under the Authorisation during the next reporting period, we will separately update the ACCC about these meetings as required under the Authorisation.

Please don't hesitate to contact me with any queries in relation to this report.

Kind regards

Tony Snell AM
General Counsel



Australian Energy Market Operator

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