

National Electricity Market Management Company Ltd ABN 94 072 010 327

Mansfield Office

6 February 2009

AEMC project Ref.: ERC0062

Dr John Tamblyn Chairman Australian Energy Market Commission PO Box A2449 SYDNEY SOUTH NSW 1235

Via email: submissions@aemc.gov.au

Dear John

Submission on Confidentiality Arrangements in Respect of Information Required for Power System Studies

NEMMCO appreciates the opportunity to comment on the specific issue raised in the AEMC's Explanatory Note, published on 22 January.

The Explanatory Note recognises that a power system model provided to Registered Participants must be comprehensive if the information is to be useful. We consider this to be an important consideration, as an incomplete model would likely lead to inaccurate or misleading results. The resulting proposal ensures that Registered Participants can have access to the best available information for their design and operational studies and reasonable confidence that their calculated power system responses match those determined by NEMMCO and the Network Service Providers.

In general, we support the proposed transitional arrangements. While the proposal would further delay the effective release of information to Registered Participants, we consider it is a practical solution to the issues raised in the Explanatory Note. In the expectation that the Rule would commence towards the end of February or early March, we believe that the provision of the releasable user guide information by 29 May 2009 seems reasonable.

One of the specific principles of the transitional arrangements is that the types of data required for a releasable user guide must be available for all generating systems. To ensure this, we recommend an addition to the proposed transitional arrangements which relates to registration applicants. This includes the following:

• Applicants in the process of registering as at the commencement date of the amending Rule. These applicants would not have provided a releasable user guide because this will be a new requirement. If their registration as a Generator is not complete by 29 May 2009, then it is unclear when they must provide a releasable user guide. Under these circumstances, it would seem reasonable to allow these

Mansfield Office PO Box 2516 Mansfield QLD 4122 Tel: (07) 3347 3100 Fax: (07) 3347 3200
 Melbourne Office

 PO Box 2008

 Melbourne VIC 3000

 Tel:
 (03) 9648 8777

 Fax:
 (03) 9648 8778

 Norwest Office

 PO Box 7326

 Baulkham Hills BC NSW 2153

 Tel:
 (02) 8884 5000

 Fax:
 (02) 8884 5500

 Sydney Office

 Level 22, Norwich House

 6-10 O'Connell Street

 Sydney NSW 2000

 Tel:
 (02) 9239 9199

 Fax:
 (02) 9233 1965



registration applicants until 29 May 2009 to provide a releasable user guide in support of their application.

Persons that apply for registration after the commencement date. Under clause S5.2.4(b), the provision of information is triggered by the earlier of several events normally this would be the application to connect. If the earliest of these events occurred prior to the commencement date, then a releasable user guide would not have been provided, as the obligation did not exist. Furthermore, the Rules then become unclear as to when a releasable user guide must be provided. This would almost certainly occur for those that apply for registration shortly after the commencement date of the amending Rule, but might also be the case for those that apply for registration many months after the commencement date (if, for example, there is considerable time between an application to connect and registration). Because of the tight timeframe with which NEMMCO must approve an application for registration, there is no time for resolution of any ambiguity in the Rules using the dispute resolution process. Hence, NEMMCO would appreciate certainty over the timing of the requests to submit clause S5.2.4(b) data in these circumstances. We suggest that the releasable user guide should be provided with a registration application, where a releasable user guide had not been provided under clause S5.2.4(b). It would also seem reasonable to allow applicants until 29 May 2009 to do so, if they have applied for registration after the commencement date of the amending Rule and prior to 29 May 2009.

The same issue applies to provision of model source code information under clause S5.2.4(b)(6). While the AEMC might consider this to be out of the scope of this consultation, we thought we should raise this similar concern. As the requirement to provide model source code commenced in March 2007, the number of circumstances where this may be problematic is diminishing over time.

In summary, NEMMCO recommends that a transitional Rule be provided to clarify this for the above cases. Without this amendment, there may be cases where the requirement to provide a releasable user guide, or at least the timing of that provision, is unclear.

We look forward to your consideration of this submission and the release of the final determination. If you have any queries regarding this submission, please contact Mr Paul Ravalli on (03) 9648 8742.

Yours faithfully

This letter has been transmitted electronically and does not include a signature

David Bones General Manager Planning