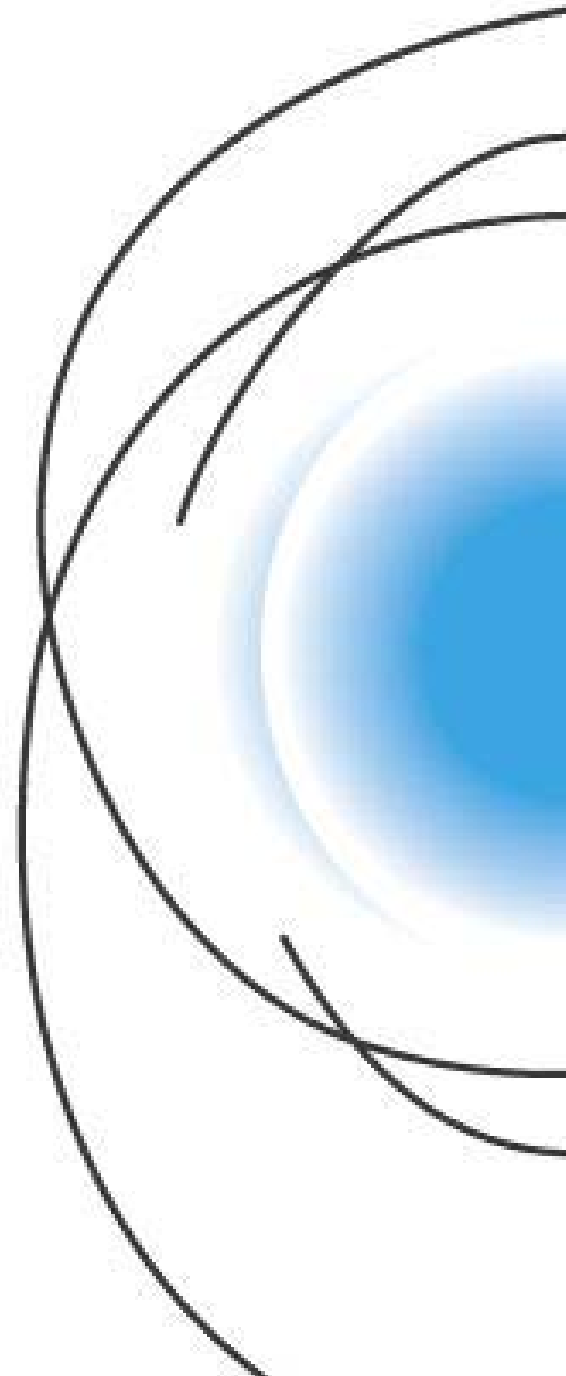


**AEMC Reliability Panel
Stakeholder Forum**

**Review of Frequency Operating
Standards for Tasmania**

**Hobart
6 June 2008**

**Ian C. Woodward
Chairman
AEMC Commissioner**



Review

- In its “Tasmanian reliability and frequency standards review” in May 2006, the Panel indicated that it would perform a further review following sufficient operation of Basslink
- In February 2008 the AEMC gave the Panel terms of reference for this review
- The review is to be conducted in accordance with clause 8.8.3 of the Rules

AEMC Reliability Panel

- Ian Woodward, Chairman (AEMC Commissioner)
- Kerry Connors, Executive Officer, Consumer Utilities Advocacy Centre (end use customers)
- Jeff Dimery, Group General Manager, Merchant Energy, AGL Energy (market customers)
- Mark Grenning, Chief Advisor Energy, Rio Tinto
- Les Hosking, Managing Director and CEO, NEMMCO
- Gordon Jardine, Chief Executive, Powerlink(TNSPs)
- George Maltabarow, Managing Director, EnergyAustralia(DNSPs)
- Stephen Orr, Commercial Director, International Power Australia (generators)
- David Swift, Chief Executive, Electricity Supply Industry Planning Council
- Geoff Willis, former CEO, Hydro Tasmania

Existing arrangements

- Tasmania:
 - small power system, predominantly hydro
 - existing standard allows a wider range of frequencies than the NEM mainland
- Basslink commissioned in 2006
 - allows FCAS to be shared with NEM mainland
 - control systems integrated into Tasmanian emergency frequency control schemes
- Largest single contingency
 - generating unit 144 MW
 - load 90 to 100 MW
 - network (196 MW generation or 190 to 200 MW load)

Submissions

- Advice from NEMMCO
- David Llewellyn
- Department Of Infrastructure, Energy & Resources
- Alinta
- Aurora Energy
- Basslink
- Gunns Limited
- Hydro Tasmania
- NGF
- Roaring40s
- Transend Networks
- TRUenergy

Key issues - 1

- The Panel has received requests to consider proposals to tighten the FOS
 - increases diversity of generation technology
 - improves security of energy supply
 - increases competition in Tasmania
- Tightening standard, which
 - requires further FCAS, which is sometimes in short supply
 - reconsideration of Basslink control systems

Key issues - 2

- Impractical to fully align with the mainland NEM FOS
- Range of suggestions received
 - many similar, but not identical

Anticipated timetable

Commence consultation	Thursday, 24 April 2008
Initial stakeholder comments due	Friday 23 May 2008
Hold Stakeholder Forum	Friday 6 June 2008
Publish Draft Decision	Friday, 1 August 2008
Meeting (clause 8.8.3(f))	Friday, 29 August 2008
Submissions on Draft Decision	Friday, 29 August 2008
Submit Final Report to AEMC	Friday, 10 October 2008

Today

- Program:
 - Opening
 - Presentations: 10 minutes
 - Questions from floor & discussion
 - Finish at 3.30 PM
- For assistance: see Julian or James

Further information

- The NEMMCO advice and submissions are available on the Australian Energy Market Commission website at

www.aemc.gov.au