

Sydney

28 August, 2006

Mr Ian Woodward
Chairman
AEMC Reliability Panel
PO Box H166 Australia Square
Sydney NSW 1215
Australia

Dear Ian

SUBMISSION ON DRAFT GUIDELINES FOR IDENTIFYING REVIEWABLE OPERATING INCIDENTS

NEMMCO has welcomed the opportunity of being involved in the technical reference group and the supports the substance of the proposed guidelines. In undertaking a further review we have formed some suggested structural proposals that may assist in better aligning the guidelines with the requirements of Rule 4.8.15.

The suggestions are included as an attachment to this letter and are not intended to alter the scope of the reviewable operating incidents as contained in the draft. The reasons that these suggestions are made are as follows.

Clause 4.8.15(a)(1) allows the Panel to issue guidelines for applying the definition of a reviewable operating incident and clause 4.8.15(a)(3) allows the Reliability Panel to broaden the scope of that definition to include other matters. Clause 4.8.15(a)(1)(i) refers specifically to events on the transmission system and so it is suggested to link the requirement for limited reporting on events on a distribution system to the more general clause 4.8.15(3). In addition it is suggested that the term "inappropriate operation" be clarified to ensure that it includes both inappropriate automatic and manual operation.

As regards the interpretation of the definition of a system black condition for the purpose of these guidelines, it is suggested that the wording be amended in order to make the intent clearer.

Clause 4.8.15(a)(1)(v) refers specifically to clause 4.8.9 instructions and it is suggested to include the other requirements for reporting on under frequency load shedding and over frequency tripping under the more general clause 4.8.15(3).

As regards the guidelines on incidents when the power system is not in a satisfactory operating state, a minor change is suggested to clarify the intent regarding reporting on instances where NEMMCO's on-line stability monitoring systems detect potential instabilities. This is to achieve the intent of not reporting on spurious instances. In addition,

Carlingford Office
PO Box 3175
Teloepa NSW 2117
Tel: (02) 8838 5100
Fax: (02) 8838 5200

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

Melbourne Office
Level 12
15 William Street
Melbourne VIC 3000
Tel: (03) 9648 8777
Fax: (03) 9648 8778

Sydney Office
Level 22, Norwich House
6-10 O'Connell Street
Sydney NSW 2000
Tel: (02) 9239 9199
Fax: (02) 9233 1965

NEMMCO believes that the term “apparent instability” could be replaced by “potential instability” as it represents a more appropriate description of such situations.

As regards reporting of faults in the distribution system it is suggested that further details be added to make it clear that such investigations would be restricted to instances where the fault would have potentially impacted upon the security of the transmission system.

With these changes the sections of the guidelines related to 4.8.15(a)(1)(iii) and (iv) would now provide no more detail than is already set out in the body of the Rules and as such could be removed.

In addition the definition of “black system” quoted in the body of the report could be replaced by the latest definition in the Rules.

Please contact Mark Miller on 02 8838 5620 if you require any further information.

Yours sincerely


Brian Spalding
Chief Operating Officer

Enc. Attachment on Draft Guidelines

NEMMCO proposal regarding draft guidelines for identifying reviewable operating incidents

When determining whether a power system operating incident is of significance under Rules clause 4.8.15(a), and hence reviewable, NEMMCO should apply the following guidelines:

1. Under Rules clause 4.8.15(a)(1)(i), apply the definition of a non-credible contingency event in Rules clause 4.2.3 and consider a multiple contingency event as reviewable when the events (including any inappropriate automatic or manual operation of a transmission element) occur within 30 minutes of each other and the residual impact of an earlier contingency event interacts with a later contingency event ;
2. Under Rules clause 4.8.15(a)(1)(ii), apply the definition of “black system” in Chapter 10 of the Rules. For this purpose a “major supply disruption affecting a significant number of customers” is considered as one resulting in loss of at least 60% of the predicted regional load with the exception of regions with minimal load (for example the Snowy region). In addition in the case of the Queensland region, the loss of at least 60% of the load (excluding the pot line loads) in any of the Northern Queensland, Central Queensland or Southern Queensland areas is also to be considered as a “major supply disruption”.
3. Under Rules clause 4.8.15(a)(1)(iii), include as reviewable incidents only those where the frequency is outside the operational frequency tolerance band (currently set by the Panel at 49 to 51 Hz on the mainland and 47.5 to 53 Hz in Tasmania).
4. Under Rules clause 4.8.15(a)(3), a reviewable operating incident includes any incident satisfying one or more of the following descriptions:
 - the power system is not in a satisfactory operating state for more than 5 minutes; (excluding issues resulted to potential oscillatory or transient stability);
 - NEMMCO’s on-line oscillatory and transient stability monitoring systems detect a potential instability for 30 minutes, continuously;
 - incidents on a distribution network that affect the security of the transmission system including:
 - faults of extended duration within the distribution network where these have had a material impact on the transmission system; and
 - loss of multiple embedded generating units the total capacity of which exceeds the capacity of the largest generating unit within any region including an affected generating unit;
 - incidents that result in the operation of under frequency or over-frequency protection and control schemes including:

- automatic under frequency load shedding; and
- automatic tripping of a generating unit due to over-frequency;
- where the Reliability Panel requests NEMMCO to review and report on an incident under Rules clauses 4.8.15(b) and (c)¹ after considering whether:
 - the incident represented a threat to system security; and
 - the benefits to the NEM are likely to exceed the cost to NEMMCO and the affected Participants.

¹ The Panel considers that the following parties should be able to apply to the Panel for it to request NEMMCO to investigate an incident:

- a registered participant, or group of registered participants;
- a participating jurisdiction, or group of participating jurisdictions; or
- NEMMCO (for clarification).