



**OFFICE OF THE CHIEF EXECUTIVE**

Ref. A263173

8 November, 2007

Dr John Tamblyn  
Australian Energy Market Commission  
PO Box A2449  
Sydney South NSW 1235

submissions@aemc.gov.au

Dear Dr Tamblyn,

### **PROPOSED PROCESS FOR REGION CHANGE DRAFT RULE DETERMINATION**

Powerlink Queensland appreciates the opportunity to comment on the AEMC's proposed Process for Region Change Draft Rule Determination.

#### **NEMMCO as the Applicant for Region Change**

The Draft Rule Determination proposes to allow Registered Market Participants and NEMMCO to propose a region change. Similar to the Snowy Region Boundary proposals, it is likely that there will be a plethora of submissions arguing for and against any future region change proposal. This is because such a proposal will inevitably create winners and losers.

The proposed Rule makes NEMMCO responsible for the provision of information to an alternative proponent of a region change in order to prepare a technically competent application. The proposed Rule therefore places NEMMCO in potentially conflicting roles - an Applicant for a region change and the provider of information to Market Participants, who may wish to propose an alternative.

In addition, since this Rule change was first proposed COAG has decided to include a National Transmission Planner (NTP) function within a new Australian Energy Market Operator (AEMO). While the detailed role of the NTP is yet to be determined, there is a potential conflict for AEMO (as the successor to NEMMCO) to also be the proponent of a region change. This conflict arises because there will now be a recognised planning function within the AEMO that is being created to address perceived deficiencies in inter-regional network investment, and yet AEMO could propose a region change that will directly influence its own activities through the NTP. This conflict did not exist at the time of the original MCE Rule change proposal but should now be removed.

33 Harold Street ,Virginia  
PO Box 1193, Virginia, Queensland 4014, Australia  
Telephone: (07) 3860 2111 Facsimile: (07) 3860 2100  
Website: [www.powerlink.com.au](http://www.powerlink.com.au)

Powerlink Queensland is the registered business name of the  
Queensland Electricity Transmission Corporation Limited  
ABN 82 078 849 233

In summary, Powerlink recommends that NEMMCO, as an independent market operator, should not be able to be the proponent of a Region change. NEMMCO should remain an independent source of information to any Market Participant's application for region change.

If you have any questions regarding this submission, please contact Greg Hesse in the first instance.

Yours sincerely,



Merryn York  
**Manager Network Strategy & Performance**

Enquires: Greg Hesse  
Telephone: (07) 3860 2632  
Email: ghesse@powerlink.com.au