



Victorian Energy Networks Corporation

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Mr Ian Woodward
Commissioner, Australian Energy Market Commission
PO Box A2449
SYDNEY SOUTH NSW 1235
By e-mail: submissions@aemc.gov.au

Ref: 24590
Your Ref: N/A
Contact: Franc Cavoli
Ph: 03 8664 6616

Ian,
Dear Mr Woodward,

**Reliability Panel's Review of a Nationally Consistent Framework
for Transmission Reliability Standards – Interim Report**

VENCorp appreciates the opportunity to respond to the Reliability Panel (RP) Interim Report on the Transmission Reliability Review ("Interim Report"). The Interim Report proposed a further option (Option F) as a possible method of achieving a nationally consistent transmission reliability standard.

Option F as VENCorp understands it would require the jurisdiction to set a "reference standard" applicable to a connection point or a group of connection points of similar characteristics. The standard is economically derived from inputs such as Value of Customer Reliability (VCR), is capable of being expressed in a deterministic format and will remain the standard for a regulatory control period. A jurisdiction may give the TNSP the option to defer investment past the timing that the reference standard would dictate if it would be uneconomic to proceed with the investment.

Since it incorporates the flexibility to apply economic cost benefit criteria to each potential augmentation, VENCorp supports the recommendation of Option F to the MCE. However, VENCorp reserves its rights to make representations for or against the way that Option F is eventually represented in the expected draft rules. Among other things, we would be particularly interested in: rules that impose an unnecessarily high burden on the Jurisdictional Planning Bodies ("JPBs") to justify departure from the reference standard; its application to and interaction with the shared network; to whom the JPBs would need to make the case for departure from the reference standard and allowing national and international standards to dictate rather than guide the JPBs in their legitimate responsibility to plan for the particular conditions and customers existing in each Jurisdiction.

Should you have any questions on anything in this letter please do not hesitate to contact Franc Cavoli on (03) 8664 6616 or Louis Tirpcou on (03) 8664 6615.

Yours sincerely

A handwritten signature in blue ink that reads "M. Zema".

Matt Zema
Chief Executive Officer

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