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12 January 2007

Dr. John Tamblyn
Chairman
Australian Energy Market Commission
Level 16, 1 Margaret Street
NSW 2000

Dear Dr. Tamblyn,

National Electricity Rules: Draft determination and draft National Electricity Amendment (Technical Standards for Wind Generation and other Generator Connections) Rule 2006

As discussed with Mr. Peter Egger on 23 December 2006, I am writing to provide supplementary information concerning EnergyAustralia's submission of 24 November on the above matter.

Our first recommendation concerning access standards contains two concepts, as follows:

- 1 (a) Sub Clause 5.3.4A (f) does not provide sufficient discretion for a DNSP to reject a proposal based on negotiated access standards. A DNSP's opinion on a proposed negotiated access standard should also be relevant to the rejection of a proposal, including if it is aware of factors which would affect the performance of the network or the security and reliability of a customer's supply.

This could be achieved by the following changes to the proposed drafting of Clause 5.3.4 (f), to broaden its scope:

5.3.4 (f) (2) in the Network Service Provider's opinion, adversely affect the performance of the network or the quality or reliability of supply for other network users, and

5.3.4(f)(4) in respect of the connection of a generating plant, in NEMMCO's or the Network Service Provider's opinion, not satisfy subparagraph (a)(4)(ii).

- 1 (b) Clause 5.3.4A applies only to negotiated access standards. However, there may also a need for DNSP to be able to reject a proposal based on automatic access standards if the DNSP is aware of factors which would affect the performance of the network or quality and reliability of a customer's supply.

This could be achieved by the following change to the drafting of Sub Clause 5.3.3 (b1) (1), to broaden its scope:

5.3.3 (b1) (1) the automatic access standards and any variation to those standards which are necessary, in the Network Service Provider's opinion, to maintain the performance of the network or the quality or reliability of supply to other network users;

Our second recommendation concerning NEMMCo's direction of generator testing could be accommodated by a change to Sub Clause 5.7.6 (b), as follows:

... NEMMCo may direct a Generator to conduct a test under paragraph (a), and NEMMCo may witness such tests.

Please do not hesitate to contact me on (02) 9269 4171 if I can assist with further clarification of EnergyAustralia's proposal.

Yours sincerely

A handwritten signature in black ink, appearing to read 'H. Colebourn', with a long horizontal stroke extending to the right.

Harry Colebourn
Executive Manager – Network Regulation & Pricing