



20 September 2012

Mr John Pierce  
Australian Energy Markets Commission  
PO Box A2449  
Sydney South NSW 1235

Submitted online: [www.aemc.gov.au](http://www.aemc.gov.au)

Dear Mr Pierce

### **ERC0148 - Changes to Normal Voltage**

Origin Energy (Origin) welcomes the opportunity to provide the Australian Energy Market Commission (AEMC) comments on International Power GDF Suez's National Electricity Rule (NER) change proposal on Changes to Normal Voltage.

Origin supports the proposed Rule to clarify the process for changing the nominal voltage at a connection point such that a Network Service Provider (NSP) has an explicit obligation to consult with the generators at the affected connection point prior to making any changes.

#### *The current normal voltage definition lacks clarity*

The Rule change proposal identifies a discrepancy between the NER definition of *normal voltage* and the obligation for an NSP to consult on the *normal voltage* level, if that is to change from the *nominal voltage* level specified under NER clause 5.3.3(b1)(7). This discrepancy has led to a situation in George Town, Tasmania where the voltage level at that connection point was changed without any consultation with the parties connected at that point.

The performance standards applicable to a connecting generator are determined in accordance with technical requirements in NER Schedule 5.2. Any increase or decrease in voltage variation by ten per cent could have a significant detrimental impact on the access standards and protection systems of the *Generator* at the connection point. Substantial changes in normal voltage could result in damage to the existing plant or require unexpected upgrades to the generator's connection assets to comply with the new voltage levels. Such unannounced decisions can impact the value of a generator's connection and could impact the quality, safety, reliability and secure supply of electricity.

#### *Reference to NER rule 5.3*

Origin notes that the provisions under NER rule 5.3 cover the establishment and modification of a connection. The issues covered in this Rule change proposal relate specifically to the modification of a network connection agreement.

The key objective of this Rule change proposal is to promote certainty and stability around a generator's connection. At this stage, we consider including a reference to NER rule 5.3 is sufficient to ensure NSPs engage appropriately with generators when requesting a change to the normal voltage level.

The AEMC is concurrently conducting a broader review of the connections framework as part of the Transmission Frameworks Review. While the AEMC is considering improvements to the connections process, including NER rule 5.3, any recommendations arising from that Review are likely to take some time to implement. Therefore, while NER rule 5.3 may be “convoluted”<sup>1</sup>, it is the most appropriate option currently available to promote regulatory certainty for this issue.

*Further discussions*

Should you have any questions or wish to discuss this information further, please contact Hannah Heath (Manager, Regulatory Policy) on (02) 9503 5500 or [hannah.heath@originenergy.com.au](mailto:hannah.heath@originenergy.com.au).

Yours sincerely,



Phil Moody  
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<sup>1</sup> AEMC 2012, Changes to normal voltage, Consultation paper, 23 August 2012, Sydney, p. 14.