



Approach to assessment framework and implementation of Optional Firm Access

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Optional Firm Access

- Deal with changing patterns of demand and generation
- Robustness, adaptability, resilience, sustainability
- Better coordination of investment in transmission networks and generation
- Decreased downside risk for consumers and generators
 - inefficient transmission investment decisions
 - volume and price uncertainty

Optional Firm Access

- Design process should also be adaptable and flexible
- Issues to consider:
 - “Sculpting” of transitional access
 - Interaction between OFA and reliability standards
 - Interaction between OFA and demand side mechanisms
 - Opportunity cost AKA the best alternative

Transitional arrangements

- Why should target level for “sculpting” not be zero?
- Should sculpt as quickly as possible
- Should treat all market participants – current and future – equally
- Should not entrench existing structures

Reliability standards

- How can the potential benefits of the OFA framework be realised in situations where the reliability standards exceed the firm access standards?

Demand side mechanisms

- How will measures that reduce demand affect the viability of the OFA framework?

Opportunity cost

- What is the best alternative to solve the problems that OFA addresses?
- Under what conditions is the OFA framework (not) the best option?