NEMMCO
National Electricity Market Management Company Ltd
ABN 94 072 010 327
Sydney Office

3 October 2008

Mr Ian Woodward
AEMC Reliability Panel
Level 5 201 Elizabeth St
Sydney NSW 2000

Dear Ian

ADDENDUM TO PREVIOUS ADVICE ON TASMANIAN FREQUENCY OPERATING STANDARDS

NEMMCO has reviewed the draft report of the Reliability Panel of 28 August 2008 on this issue and has the following minor comments for your consideration.

Effectiveness of UFLSS

On page ix regarding Option C and on page xi footnote d of the Draft Report there is an implication that any reduction in the effectiveness of the UFLS scheme will be minor. This may need to be clarified. Any reduction in effectiveness will only occur for major multiple contingency events which should be very rare. Thus overall the probability of the scheme being ineffective will only be reduced to a minor extent. However it should be noted that there will be some multiple contingency scenarios for which the existing UFLS scheme is effective but for which the new UFLS scheme would not be effective.

Limitation of Contingency Size to 144 MW

Regarding these limitations it is assumed that:

- this risk restriction would be expected to be relaxed if it was the only option to avoid load shedding; and
- this risk restriction would not apply in network events involving the loss of more than one generating unit (e.g. for an outage of the Gordon to Chapel St transmission line) or where the loss of two generating units is declared a credible contingency due to abnormal conditions (e.g. the present situation with Bell Bay Units 1 and 2).

If this is the case then NEMMCO believes that this needs to be clarified in the changes to the frequency operating standard.

Subsection (h) of Part B of the proposed Frequency Operating Standards states that the operation of a higher efficiency thermal generating unit beyond 144 MW would be allowed provided that a scheme to automatically trip load is implemented. NEMMCO believes that a qualification is necessary to make it clear that such a scheme would be required to be fast acting (i.e. with an operation time of 600 msec or less). There would also need to be a

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requirement to prevent such load tripping if the tripping of the higher efficiency thermal generating unit was due to over frequency.

NEMMCO believes that to meet the requirements of Rule 3.11.3, the arrangements for such a load shedding scheme needs to be formalised under the connection agreement for future relevant higher efficiency thermal plant. The connection agreement would need to include agreed arrangements regarding restriction of the output of the plant if the load shedding scheme becomes either fully or partially unavailable.

Please contact Mark Miller on 02 8884 5020 if you wish to discuss this matter further.

Yours sincerely

Brian Spalding

Brian Spalding
Chief Operating Officer