



Ref: A5315205

28 September 2023

Mr Sebastien Henry
Director
Australian Energy Market Commission
GPO Box 2603
SYDNEY NSW 2000

cc: Ashok Kaniyal

Dear Sebastien

**ENHANCING INVESTMENT CERTAINTY IN THE R1 PROCESS
CONSULTATION PAPER – REFERENCE ERC0363**

Powerlink Queensland (Powerlink) welcomes the opportunity to provide feedback on the Australian Energy Market Commission's (AEMC's) Enhancing Investment Certainty in the R1 Process Consultation Paper, which relates to the registration and connection of new generators. Our submission reflects our commitment to continue to provide safe, secure, reliable and cost-effective transmission services to our five million Queensland customers.

We support Energy Networks Australia's submission on the Consultation Paper and offer specific feedback in relation to some of the aspects of the Rule change proposal. Moreover, we consider many of the concerns raised in the Consultation Paper can be avoided through application of the existing 'do no harm' Rule as it was intended.

Powerlink broadly supports the Consultation Paper's proposal to provide a flexible approach that enables generation project proponents to receive conditional approval without the resolution of all issues identified in the R1 modelling process. We consider this is appropriate, provided any outstanding issues do not prevent a Network Service Provider (NSP) from meeting power system standards or present any system security concerns for the Australian Energy Market Operator (AEMO).

However, we do not agree with the AEMC's assessment that AEMO and NSPs typically request clarification from proponents to understand whether they have accounted for changes in external network conditions that have emerged between the Generator Performance Standard (GPS) agreement (committed status) and the R1 stage in their modelling. Our position reflects that Powerlink adopts the following principles for the evaluation of R1 modelling.

1. If there are no changes to the design of the plant under consideration between the GPS agreement and the R1 stage, the assessment prior to the GPS agreement should still be valid as an R1 assessment.

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2. If the plant's design has changed between the GPS agreement and the R1 stage and those changes will affect the performance of the generating system relative to the technical requirements set out in the GPS, Rule 5.3.9, is applied to manage those changes.
3. If there are changes to the network, due to the proposed connection of additional plant or changes in the network itself, it is the responsibility of the additional proposed connecting plant and the NSP, respectively, to ensure that all the committed plant at the time of that change are considered and there is no harm done to the existing plant (committed or connected).
4. Only the change in the plant under consideration is subject to the R1 assessment with changed network conditions.

In the Attachment, we provide a scenario to illustrate the application of these principles.

If you have any questions in relation to this submission or require further clarification, please contact Sachin Goyal.

Yours sincerely



Brett Mann

ACTING EXECUTIVE GENERAL MANAGER, NETWORK AND BUSINESS DEVELOPMENT

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ATTACHMENT – ILLUSTRATION OF POWERLINK's R1 ASSESSMENT PRINCIPLES

To demonstrate how we apply the R1 assessment principles in practice, consider the following scenario.

- At the time of GPS agreement (1 January 2023), Proponent A proposes to use a transformer with 10% impedance.
- When the NSP receives the R1 package (1 January 2024), Proponent A proposes a change to the plant to install a transformer with 20% impedance.
- Between the time of the GPS agreement and submission of the R1 package, five additional plant reached committed status (GPS agreement) and the NSP removed a line segment from the network.

Under the R1 assessment principles:

- Principle 1 does not apply, as the plant's design has changed between the GPS agreement and the R1 stage;
- since the change in transformer impedance will affect the performance of the generating system relative to what was set out in the GPS, Rule 5.3.9 is applied under Principle 2;
- the NSP must, before any assessment of Proponent A's updated plant configuration, confirm that Proponent A's initial plant configuration can be successfully connected with the additional five plant and the line segment removed, as per Principle 3. If an issue is identified through this modelling, the NSP is responsible for its resolution; and
- consistent with Principle 4, Proponent A's R1 package is subsequently assessed only with the change in plant configuration with the increase in transformer impedance from 10% to 20%. If an issue is identified in modelling at this stage, Proponent A must address the issue.