



11 August 2008

Chairman
Australian Energy Market Commission
PO Box A2449
Sydney South NSW 1235

By Email: submissions@aemc.gov.au

Dear Dr Tamblyn

Proposed Rule change: Performance Standard Compliance of Generators

In responding to the Draft Rule Determination made by the AEMC on the change proposed by the National Generator Forum (NGF), we wish to stress at the outset that we are strongly supportive of the Draft Determination. We consider the comments made by respondents to the AEMC consultation to be helpful and, in the main, the modifications made by the AEMC to our original proposal are acceptable.

The NGF has, however, two concerns with the proposed Rule :

- Access to participant information for compliance purposes should be limited to the AER. While the TNSPs and NEMMCO have legitimate rights to see the results of testing and monitoring programmes, this should be provided in the compliance plan itself; and
- Information to be provided in relation to a power plant should be restricted to that necessary for changes to performance standards. As currently drafted all technical data is required to be submitted for any change in performance standards, however small.

Access to participant information

Grid Australia correctly argues that TNSPs require information on results from the compliance plan. NEMMCO also require this information. Logically, this is provided via the compliance plan itself as part of the "assurance" required under 4.15(c)(4). This word has the same relevant effect as the word "confirm" in the (now deleted) clause 5.7.3(b). The argument by Grid Australia that the NGF proposal has reduced their access to compliance plan results would therefore seem to be unfounded.

In addition, Rule 4.15(d), as proposed by the NGF, has the singular purpose of providing a power for the AER to assess compliance. We consider that this rule should not be modified to include NSPs, giving them equivalent status with the AER.

The NGF therefore suggests that the phrase “or any relevant Network Service Provider” be removed from the proposed Rule 4.15(d).

Information to be provided with changes to performance standards

The NGF supports the proposal by NEMMCO to include a provision in Schedule 5.2.4(b)(2) to the effect that a participant has to provide necessary information in support of a change to a standard. The change proposed, however, would, in its broadest reading, require a participant to completely resubmit the information described in clauses S5.2.4(b)(5) &(6).

The NGF suggests that the proposed Rule be modified to limit the information to be supplied to that changed from the original information provided in the connection agreement. We propose a new clause be added:

“(7) A participant is only required to provide information under this clause where the information has changed from that negotiated under the connection agreement.”

If you have any questions in relation to this submission, please feel free to contact me in the first instance on 02 6243 5120.

Yours sincerely

A handwritten signature in blue ink that reads "John Boshier". The signature is written in a cursive style with a large, looping initial "J".

John Boshier
Executive Director